BSBMGT615
Contribute to organisation development

Release 1

Learner guide

Aspire
learning resources

BSBMGT615

Contribute to organisation development

Release 1

Learner guide

Aspire Version 1.2

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Contents

Before you begin

This learner guide is based on the unit of competency *BSBMGT615 Contribute to organisation development*, Release 1. Your trainer or training organisation must give you information about this unit of competency as part of your training program. You can access the unit of competency and assessment requirements at: www.training.gov.au.

How to work through this learner guide

This learner guide contains a number of features that will assist you in your learning. Your trainer will advise which parts of the learner guide you need to read, and which practice tasks and learning checkpoints you need to complete. The features of this learner guide are detailed in the following table.

Feature of the learner guide	How you can use each feature
Learning content	Read each topic in this learner guide. If you come across content that is confusing, make a note and discuss it with your trainer. Your trainer is in the best position to offer assistance. It is very important that you take on some of the responsibility for the learning you will undertake.
Examples and case studies	Examples of completed documents that may be used in a workplace are included in this learner guide. You can use these examples as models to help you complete practice tasks and learning checkpoints. Case studies highlight learning points and provide realistic examples of workplace situations.
Practice tasks	Practice tasks give you the opportunity to put your skills and knowledge into action. Your trainer will tell you which practice tasks to complete.
Video clips	Where QR codes appear, learners can use smartphones and other devices to access video clips relating to the content. For information about how to download a QR reader app or accessing video on your device, please visit our website: www.aspirelr.com.au/help
Summary	Key learning points are provided at the end of each topic.
Learning checkpoints	There is a learning checkpoint at the end of each topic. Your trainer will tell you which learning checkpoints to complete. These checkpoints give you an opportunity to check your progress and apply the skills and knowledge you have learnt.

Foundation skills

As you complete learning using this guide, you will be developing the foundation skills relevant for this unit. Foundation skills are the language, literacy and numeracy (LLN) skills and the employability skills required for participation in modern workplaces and contemporary life.

The following table outlines specific foundation skills noted for your learning in this learner guide.

Foundation skill area	Foundation skill description
Learning	• Participates in team development and training activities to develop skills and knowledge
Reading	• Evaluates and integrates facts and ideas while reviewing and interpreting organisational development processes
Writing	• Researches, plans and prepares documentation using vocabulary, grammatical structure and conventions appropriate to context and audience
Oral communication	• Applies appropriate strategies to extract main ideas from oral texts across a range of contexts in an effort to improve organisational development
Numeracy	• Selects and interprets a range of mathematical information to analyse performance, determine objectives and calculate cost-benefits of organisational development
Interact with others	• Recognises the importance of taking audience, purpose and contextual factors into account when making decisions about what to communicate, with whom, why and how • Recognises the importance of supportive interaction and building rapport in order to establish positive and effective working relationships • Collaborates with others to achieve joint outcomes, playing an active role in encouraging innovation and facilitating effective group interaction, influencing direction and taking a leadership role • Manages conflict in the workplace through the recognition of contributing factors and by implementing resolution strategies
Get the work done	• Develops flexible plans for complex, high impact activities with strategic implications that involve multiple stakeholders with potentially competing demands • Systematically gathers and analyses all relevant information and evaluates options to make decisions about organisational development • Considers whether others should be involved in decision making and, if so, uses collaborative processes • Uses analytical and lateral thinking to review current practices and develop new ideas • Actively identifies systems, devices and applications with potential to meet current and or future needs with the help of specialists

What do you already know?

Use the following table to identify what you may already know. This may assist you to work out what to focus on in your learning.

Topic	Key outcome		Rate your confidence in each section
Topic 1 Develop an organisation development plan	1A	Analyse a strategic plan to determine organisation development needs and objectives	❑ Confident ❑ Basic understanding ❑ Not confident
	1B	Profile the organisation's culture through consultations and identify techniques for changing the culture where necessary	❑ Confident ❑ Basic understanding ❑ Not confident
	1C	Determine who will take key roles and confirm their commitment	❑ Confident ❑ Basic understanding ❑ Not confident
	1D	Collect and analyse data on business problems	❑ Confident ❑ Basic understanding ❑ Not confident
	1E	Determine and agree on objectives and strategies for organisation development	❑ Confident ❑ Basic understanding ❑ Not confident
	1F	Develop communication plans to achieve communication objectives and developmental activities	❑ Confident ❑ Basic understanding ❑ Not confident
Topic 2 Implement organisation development activities	2A	Identify and implement consultative processes to maximise participation in the development process	❑ Confident ❑ Basic understanding ❑ Not confident
	2B	Develop collaborative approaches to problem-solving and facilitate groups to articulate problems and propose solutions	❑ Confident ❑ Basic understanding ❑ Not confident
	2C	Manage conflict by intervening, brainstorming alternative proposals and negotiating outcomes	❑ Confident ❑ Basic understanding ❑ Not confident

Topic	Key outcome	Rate your confidence in each section
Topic 3 Maintain the organisation development program	3A Undertake surveys to identify support for the program	❏ Confident ❏ Basic understanding ❏ Not confident
	3B Maintain regular team meetings	❏ Confident ❏ Basic understanding ❏ Not confident
	3C Maintain, evaluate and modify development activities as required	❏ Confident ❏ Basic understanding ❏ Not confident
	3D Ensure senior management supports the development program	❏ Confident ❏ Basic understanding ❏ Not confident
	3E Evaluate organisation development plans for cost-effectiveness and benefits	❏ Confident ❏ Basic understanding ❏ Not confident

Topic 1
Develop an organisation development plan

An organisation development plan describes how an organisation must function in order to achieve the goals defined in the organisation's strategic plan. It focuses on addressing development needs in the organisation relating to performance, relationships, capability and commitment. In large organisations, the development plan is used as a framework for investing in and delivering workforce development activities across departments.

In this topic you will learn how to:

1A   Analyse a strategic plan to determine organisation development needs and objectives

1B   Profile the organisation's culture through consultations and identify techniques for changing the culture where necessary

1C   Determine who will take key roles and confirm their commitment

1D   Collect and analyse data on business problems

1E   Determine and agree on objectives and strategies for organisation development

1F   Develop a communication plan to achieve communication objectives and developmental activities

1A | Analyse a strategic plan to determine organisation development needs and objectives

It is the role of an organisation development leader to focus on establishing a skilled and adaptable workforce that can help the organisation to achieve its strategic goals and to be competitive and responsive in a changing business environment.

Here are some things to consider when determining organisation development needs and objectives.

Organisation development considerations
Legislative and regulatory areas that need to be addressed to ensure the strategy can proceed, including processes, policies and issues relating to workplace relations
Changes to context and culture and how the organisation needs to function
How the organisation can adapt to change – do there need to be any changes in bureaucracy, lines of reporting, work priorities, work pressures or workloads?
Requirements for communicating and managing change – involving and engaging managers, identifying needs and diagnosing problems, applying proper corrective actions
Methods to ensure the change works, such as programs to test or trial quality or standards

Legislative requirements

Understanding the legislative and regulatory context of your organisation is a critical factor in ensuring barriers to success are removed or addressed.

This includes planning and dealing with issues relating to the following areas.

Workplace relations
Workplace relations are mostly governed by the *Fair Work Act 2009* and the Fair Work Regulations 2009. This legislation outlines the obligations of both employers and employees with regard to the employment relationship. The Acts are in place to provide minimum entitlements to employees and to enable flexible working arrangements to ensure employees are not discriminated against.
The Fair Work Ombudsman administers the acts, and further information is available from the Fair Work Ombudsman website at: http://aspirelr.link/fair-work-ombudsman.

Work health and safety

Work health and safety (WHS) legislation includes:

- work health and safety acts
- regulations
- codes of practice.

There is also a national compliance and enforcement policy to ensure the health and safety of employees and visitors to organisational sites. The *Work Health and Safety Act 2011* applies to all states except Victoria and WA, which each have their own Acts.

Information relating to WHS requirements is available from Safe Work Australia at: http://aspirelr.link/safeworkaustralia.

Anti-discrimination

Commonwealth and state laws cover equal employment opportunity and anti-discrimination in the workplace. All employees should participate in and comply with a workplace free from discrimination and harassment. It's important that as a leader, you understand your rights and responsibilities under human rights and anti-discrimination law. By putting effective anti-discrimination and anti-harassment procedures in place in your team, you can ensure compliance with the law.

The Australian Human Rights Commission can provide information and advice for workplaces and the Fair Work Ombudsman provides resources about how to prevent discrimination in the workplace. Access relevant legislation by following the links on this website: http://aspirelr.link/workplace-eeo-legislation.

Privacy legislation

The *Privacy Act 1988* (Cth) is an Australian law that regulates the handling of personal information about individuals. There are 13 Australian Privacy Principles:

APP 1 – Open and transparent management of personal information

APP 2 – Anonymity and pseudonymity

APP 3 – Collection of solicited personal information

APP 4 – Dealing with unsolicited personal information

APP 5 – Notification of the collection of personal information

APP 6 – Use or disclosure of personal information

APP 7 – Direct marketing

APP 8 – Cross-border disclosure of personal information

APP 9 – Adoption, use or disclosure of government-related identifiers

APP 10 – Quality of personal information

APP 11 – Security of personal information

APP 12 – Access to personal information

APP 13 – Correction of personal information

Further information is available at http://aspirelr.link/aus-privacy-principles.

Analyse the strategic plan

For an organisation to be successful, it must set a clear vision and purpose and have strategies in place to achieve the vision. Organisational strategic plans are developed to help an organisation reach its desired long-term outcomes, often for a period of two to five years.

Here is some information about strategic plans.

What a strategic plan identifies

A strategic plan identifies the organisation's current state and the strategies that need to be implemented to position the organisation for success. It defines the vision or mission of the organisation, establishes goals and identifies strategies to achieve these goals.

The role of the strategic plan

The strategic plan is developed by key stakeholders in an organisation to set the organisation's future direction and actions to achieve success. The organisation's structure, leadership, systems, processes, and workforce capability and performance must be shaped by and aligned with the strategic plan.

The identification of strategic direction

Changes implemented as a result of a strategic plan may include system and process redesign, redesign of the workforce and leadership structure, and changes to culture, performance or individual roles. Following the identification of the strategic direction, leaders in the organisation can determine the operational or functional plans necessary to meet the strategic plan's goals and objectives.

Review the plan

To analyse an organisation's strategic plan, compare the current state of the organisation with the desired state of the organisation to identify the areas of need that must be addressed for the strategic plan to be achieved.

Identify needs

The needs identification process involves detailed analysis of the changes required for an organisation to successfully achieve its strategic goals. The needs analysis may lead to significant changes, such as a redesign and restructure of the workforce and workforce teams, new job roles, a new management and reporting structure, new systems or processes, new innovations or new leadership.

To ensure that changes are aligned with the needs of the organisation, it is important to conduct a diagnosis of the workplace and workforce. This may include diagnosing performance, employee satisfaction, processes, technology or systems. Inputs to the diagnosis may come in the form of documentation or may be a result of various information-gathering activities or forums, such as focus groups or stakeholder meetings.

Involving stakeholders and teams in the diagnosis will often not only help to identify the problems that need to be addressed, but will also assist in creating appropriate development solutions.

Issues driving organisation development

To achieve a good understanding of the issues that will drive and inform the development plan, consider the following.

Corporate direction

- What needs to change to best support the new vision, strategies and objectives?

Customers

- Do we need to meet shifting customer needs or demands?
- Do customer service or customer satisfaction levels need to improve?

Products or services

- Is a change required to existing products or services?

Work processes

- Can the existing structure support the new objectives?
- Will existing work processes and systems support the new objectives?

Culture and values

- How do the organisation's existing culture, values and behaviours align with the new strategic vision, goals and objectives?
- Will the existing culture, values and behaviours support this change?
- In what way does the culture need to change or improve?

Technology/resources

- Does the existing technology need to be upgraded or improved?
- In what way will the strategy affect tool and resource requirements?
- What are the financial or budgetary implications?

Legislation

- What legislative or regulatory issues need to be addressed in the development plan?
- Are there human resource (HR) issues to be addressed relating to equal employment opportunity, anti-discrimination, industrial relations or safety?
- Are there any environmental impacts that need to be addressed?
- Does the new strategic plan relate to competition and consumer protection?
- Is there a requirement to introduce or amend policies, processes or procedures?

Risk and control

- Are there internal or external risks that need to be addressed and mitigated?
- What controls and measurements are required?

Conduct a SWOT analysis

When identifying development needs, it is important to identify what is going on in the organisation's internal and external environments. This means looking at what works well across the organisation, exploring areas that are not working well, identifying opportunities and recognising any risks or threats in your business environment.

Albert Humphrey is credited with creating the SWOT analysis tool, designed to identify strengths, weaknesses, opportunities and threats. The following example shows how this tool can be used for analysing needs when creating a development plan.

Strengths	**Weaknesses**
• What do you do well?	• What disadvantages are there?
• Where do you have a competitive advantage?	• Are finances limited or constrained?
• Do your people have the necessary skills and capabilities?	• Are there cash flow problems?
• Do you have excellence in product or service quality?	• Are some accreditations or skills missing?
• Are your prices competitive?	• Are your processes or systems adequate?
• Do you have talented and skilled leaders?	• Do you have reliable data?
• Do you have a positive culture, values and behaviours?	• Are there competing priorities or pressures?
	• Are there geographic constraints?
	• Do you meet all regulatory or legislative requirements?
Opportunities	**Threats**
• Are there new industry trends?	• Are there legislative or regulatory impacts?
• Are there new target markets?	• Are there operational obstacles?
• Is there new research or data?	• Is there a risk that you will lose good staff?
• Do you have unused talent in the organisation?	• Are there any risks with your existing technology and systems?
• Is there potential to scale down operations or drive new efficiencies?	• Are there potential issues for management in terms of people's roles?
• Are there external environmental influences?	• Are morale, commitment or leadership a problem or risk to success?
• Is there an opportunity to engage people with new skills or talent?	

Prepare a development plan

The development plan relates to management, leadership, people, performance, culture, skills, attitudes, capability, motivation, reward and recognition. The development plan must ensure that individuals, teams and departments transition as easily as possible from the current state to the expected future state.

Organisational development interventions that may be included to enable this transition include the following.

Knowledge management

This is improvement to or redesign of practices and processes in the organisation that is used to exchange and distribute knowledge. This type of intervention may be highlighted when diagnosing risks to implementing a strategy.

Process consultation

This method is used to improve processes within the organisation. Groups and teams come together to develop practical solutions to issues related to process effectiveness and efficiency. The process is mapped and performance is reviewed to identify habits and practices that need to be improved to meet organisational objectives. Some examples of improvement that may be achieved are the removal of unnecessary approvals on completion of steps and putting in procedures to manage rework so other steps are not affected.

Communication

Communication is critical to building a positive organisational culture and achieving successful relationships across the organisation. Communication must be transparent, timely and organisation-wide, for both management and employees.

Team building

Team building helps employees get to know each other, learn to know what to expect from each other and understand the ways they can best work together. The actual activities depend on whether the team is new, already exists or has a new member. Brainstorming workshops – where members develop change goals, and identify strengths and weaknesses and ways to build on strengths and overcome weaknesses – are popular. Team leaders, HR staff and change team members can facilitate sessions.

Intergroup development

This intervention involves changing the attitudes and perceptions that work groups have of each other. A common technique is conflict resolution meetings, where different groups or teams get together to brainstorm issues affecting cooperation and efficiency, and work together to identify solutions to the issues. Common goals should be identified and actions undertaken to develop and achieve these goals.

Survey feedback

Survey feedback involves presenting employees with questionnaires to obtain feedback, and identifying and assessing attitudes. The survey results help to identify issues or inconsistencies. The questions may look at the organisational and team cultures, employment and pay conditions, the chain of command, senior leadership styles or team structures. Differences between the current attitudes and those required during the change and for the future can be discussed and resolved in feedback groups.

Sensitivity training

Sensitivity training involves the use of unstructured group interactions to change behaviour and improve group dynamics. It is an intervention designed to help individuals understand how their behaviour affects others, and involves each member of a group or team putting themselves in another's position to be able to better to relate to that person and their position. Team and groups members need to be encouraged to share their perceptions of others and their values, beliefs and attitudes in order to understand behaviour.

Training and development

Training is a critical component of any strategy for assisting employees and managers to deal with change. It can take many forms, including:

- mentoring to provide encouragement and guidance
- developing an employee's formal qualifications to help them adjust to new responsibilities
- internal and external opportunities to build communication, leadership skills, and problem-solving and decision-making skills
- coaching for support
- redeployment strategies
- retraining when a redundancy is made to help the person find employment.

The training needs analysis (TNA) undertaken during the planning phase will have identified requirements. Change teams need to encourage HR and line managers and team leaders to make sure their employees participate in the required training.

Job redesign

For this method, positions are analysed to fit new structures, technology or processes. A position may be redesigned to ensure a better fit between individual capabilities, job requirements and changes to elements of the organisation's structure. Any redesign needs to take into consider how the change affects team and organisational culture, and any skill development required. Some positions may be enriched to include greater responsibility and areas of interest to motivate individuals, with the individual involved in deciding how tasks are managed and decisions made.

> ### Career planning
>
> Career and succession planning is related to job redesign, enrichment and development. Career planning involves managers working with employees to plan their future so as to meet personal career goals to motivate change. Succession planning involves identifying those who may be able to take on greater responsibility and implementing a development program to build skills and knowledge.

The elements of a development plan

The elements of a development plan include purpose, goals or objectives, strategies, actions or activities, key roles and a time line.

Each of these is outlined here.

Purpose

- This outlines the solution and delivery strategy to address the development needs of the organisation.
- It is aligned with the mission or vision in the strategic plan.
- It describes why the particular development approach has been chosen and provides the steps, actions and time lines that will be used to implement the strategy.

Goals or objectives

- Development goals or objectives align with one or more goals of the organisation's strategic plan.
- Development goals set the targets for development over a specific period of time.
- They provide a standard that can be measured during implementation or evaluation.
- Development goals should be written as SMART goals; that is, specific, measurable, attainable, realistic and time framed.It is aligned with the mission or vision in the strategic plan.
- It describes why the particular development approach has been chosen and provides the steps, actions and time lines that will be used to implement the strategy.

Strategies

- Strategies define how each goal will be achieved and outline the activities and steps that will be taken.
- Strategies include the approach to manage the change.It is aligned with the mission or vision in the strategic plan.
- It describes why the particular development approach has been chosen and provides the steps, actions and time lines that will be used to implement the strategy.

Actions or activities

- Actions or activities provide the steps that must be taken to achieve each goal or objective, and the time allocated for each.
- Actions or activities also include who is responsible for the action and often define the measurable outcome.

Key roles

- Key roles are identified and defined for each strategy, with the activities and tasks identified and assigned to a manager or team leader to ensure the strategies are implemented and monitored.

Time line

- The time line gives a scheduled plan of the activities, tasks and resources required to implement the development plan.

Include elements into the plan

Here is an outline of the content of a development plan.

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Organisation development plan

Purpose

Provide an overview of what will be covered in the plan. Is the purpose something like 'to ensure that organisation development gaps are identified and addressed in order to achieve organisational growth according to the strategic plan'?

Stakeholders

Describe who in the organisation is affected by the change.

List each key stakeholder, their level of influence and existing support, as well as what additional stakeholder support is required to ensure the plan is successful (e.g. to help influence acceptance of the change). Include how you will build engagement and influence with each stakeholder. Outline each stakeholder's knowledge and understanding of how the plan will address the strategic goals and mission of the organisation.

Identify any challenges or opposition stakeholders may have that could pose a risk to the plan.

Describe how you will engage stakeholders to be advocates of the plan and contribute to its success.

Stakeholder name	
Level of influence	
Existing/required support	
Knowledge and understanding	
How you will build engagement and influence	
Challenges	

Communication

Outline actions and time lines for communicating the development plan and reporting on the implementation progress. You need to ensure that you include two-way communication methods so you can quickly and constructively respond to feedback, concerns or issues.

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List the stakeholder groups, including end users, customers, senior management and sponsors. Identify what type of communication is critical for each stakeholder group; for example, monthly reports to senior management and sponsors.

Develop an action plan that outlines:

- who will receive information
- how information will communicated
- how feedback will be sought, monitored and incorporated
- how the team will respond to feedback and ideas
- how issues will be recorded and monitored for continuous improvement.

Communication plan

Stakeholder group	Communication channel/type	Feedback mechanism

Learning and development strategies

Provide a map of the activities that will be implemented to achieve learning and development objectives. In this section, discuss:

- learning and development objectives and method of delivery
- target or stakeholder groups
- what development methods will be implemented, when and how (e.g. coaching, workshops, on the job learning)
- how learning content will be developed and delivered.

Development objective	
Delivery method	
Target groups	
Documentation required	
Roles	
Authorisations	

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> **Organisation change impacts**
>
> Identify policies, processes or procedures that need to change. Recommend the change that is required and suggested plan of action.
>
> **Evaluation or post-implementation review**
>
> Identify what steps will be taken to evaluate how well the deliverables and outcomes were achieved.
>
> Explain how feedback will be communicated to the organisation and relevant stakeholder groups.

Action plans

Action plans provide the steps that must be taken to achieve each goal and the time allocated for each step. They also include who is responsible for the action and often define the measurable outcome. The development objective should reflect the purpose behind the actions; that is, why they need to be done.

Here is an example of an action plan template.

Action plan template

Organisation strategic goal:

Development objective:

Action (what will be done)	Responsibility (by whom)	Time frame (when)	Expected outcome (measurable)	Actual outcome	Completion date

Example: action plan to achieve strategic goal

Zimbo is a national retail business specialising in electronics. It has more than 150 retail outlets across Australia.

From its mission statement, Zimbo is committed to:

- providing quality products and services to its customers
- meeting the changing needs of customers
- offering innovative electronic solutions
- delivering speedy and personalised service
- professionalism and enthusiasm
- clean and green products and services
- sustainable work practices
- continuous improvement.

Zimbo is known for its enthusiastic and inclusive culture, and seeks to maintain professional and well-supported staff.

Zimbo's vision is 'To be a leading retailer of consumer electronics within Australia, by providing our customers with an unbeatable selection of high quality, environmentally friendly products and services at competitively low prices'.

In its strategic plan for 2016–18, Zimbo s included the following objective:

- Be recognised as an employer of choice that cares passionately about its staff.

The Organisation Development Manager at Zimbo, Karen Wheeler, created the organisation development plan that aligns with the strategic plan. After formal consultation and feedback gathering, she created the following action plan.

Action (what will be done)	Responsibility (by whom)	Time frame (when)	Expected outcome (measurable)	Actual outcome	Completion date
Introduce new staff rewards program for suggestions of innovative and feasible ideas	Karen Wheeler	31 March 2017	New staff rewards program in place and communicated to all staff		

Practice task 1

The Organization Development Network has published a list of organisation development practitioner competencies. These refer to the knowledge and skills required of an organisation development leader. This comprehensive list is available at: http://aspirelr.link/od-competencies.

Review the list on this website and consider your current knowledge and skills. Bear in mind, however, that this list is designed to guide a full-time organisation development specialist, and that you need to consider these competencies in line with your organisation's needs and your role. Be sure to revisit the list when you complete this unit to reconsider your competency.

1. Write one strategic goal that directly affects your organisation's development needs. If you are not currently working, consider an organisation you have worked for in the past or one with which you are familiar, such as a sporting club.

2. What is the difference between the organisation strategic plan and the organisation development plan?

3. Why do organisations conduct a SWOT analysis? What does a SWOT analysis entail?

1B Profile the organisation's culture through consultations and identify techniques for changing the culture where necessary

Organisational culture refers to the values, principles, traditions and ways of doing things that influence the way organisational members act. Organisational culture relates to how people behave within an organisation and the set of assumptions that define the behaviour. It involves people's perception of what happens in the organisation and how people are treated or how they interact with one another. It can include collective ways of thinking, behaving and feeling.

The behaviours, values and attitudes within an organisation influence how effectively strategic goals are implemented and sustained. We witness organisational culture in the behaviours, assumptions, perceptions and attitudes used and shared by employees.

Organisational culture can be evidenced through the following indicators.

Ceremonies or events

These are special activities often used to connect the values and goals of the organisation with its people; for example, launches of new values, products.

Communicating shared experiences

This is when employees can relate common stories.

Language

Many organisations use their own forms of language, jargon or expressions to convey meaning.

The link between culture and structure

The link between culture and structure is recognised in how a business is organised, how roles are defined and how power is allocated. Leading organisational behaviour and management researcher, Charles Handy, has linked organisational structure to culture.

A description of his four types of culture in an organisation is provided in the following information.

Power culture	Role culture
This is where power is concentrated among a small group or central figure and the control radiates from the centre. Power culture requires only a few rules and little bureaucracy and enables swift decision-making.	Authority is delegated within a highly defined structure. The power is derived from roles and positions and rarely from experts. Control is affected by procedures, role descriptions and defined levels of authority.

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Task culture

This is where teams are formed to solve problems. Power is derived from the team with the expertise to execute against a task. It uses a team approach with people who are highly skilled and specialised in their own area of expertise.

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Person culture

This is where all, or a majority of, individuals believe themselves superior to the organisation. This is often detrimental to effective operations.

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Cultural change

Changing an organisation's culture requires detailed planning and effective communication to ensure behavioural and attitude changes in organisation members.

Some aspects of cultural change that need to be considered at a planning level are provided here.

Consultation

When changing the culture of an organisation, managers need to consult with a range of stakeholders who can assist in achieving a cultural change through:

- positive employee motivation and loyalty
- increased team cooperation and cohesion
- promoting consistency and accountability
- shaping the way people behave and perform in their jobs.

Leader commitment

Leaders must also demonstrate a commitment to cultural change. This is important to ensure:

- leaders promote shared values between themselves and their followers (organisational members)
- leaders build trust and respect between themselves and organisational members and encourage teams to build trust and respect for members and with other teams.

Flexibility and adaptability

Incorporating cultural change into the organisation's development plan is important to enable the organisation to respond to changes in the external environment, such as economic recession or changes in legislation. The right culture can drive high performance, but a culture that is not flexible or adaptive encourages rigidity and stability. A culture that is adaptive to change encourages flexibility, risk-taking, innovation and continuous improvement.

Assess the organisation's culture

To assess an organisation's culture, there are a number of commercial tools available that are commonly used, such as the Organisation Culture Assessment Instrument. For more information, visit: http://aspirelr.link/ocai.

Assessment generally involves the following steps.

Assessing the culture of an organisation

Identify the preferred culture

Senior leaders and stakeholders must be involved in articulating the existing culture. This is aligned with the organisation's vision and strategic goals.

Conduct an organisation-wide survey

Ensure the survey covers cultural aspects, such as leadership, management of staff, characteristics and behaviours.

Analyse results

Analyse the survey results to determine the differences between the current organisation culture and the desired culture.

Determine development requirements

Identify how close the organisation culture is to the preferred culture in order to determine development requirements to address gaps.

Example: prepare a cultural profile

An organisational cultural survey is a good way to take the pulse of the organisation. It captures the different views of the organisational culture so appropriate changes can be implemented.

To read examples of organisational assessment reports, go to: http://aspirelr.link/organisational-culture-reports.

The following information contains examples of questions that can be used in an organisational cultural survey.

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Cultural survey	Agree/ Disagree
People in this organisation are held accountable for their actions.	
The organisation makes decisions quickly.	
The organisation ensures I am aware of decisions, directions and changes.	
There is a spirit of teamwork across the organisation.	
People in this organisation do what they promise.	
I feel that work–life balance is supported across the organisation.	
I am encouraged to share my ideas and create new ways to do things.	
In this organisation, teams are encouraged to have fun and celebrate success.	
I can rely on and trust what management tells me.	
My professional development needs are supported by management and I receive timely coaching or professional development.	
I feel valued by my team and my manager.	

Practice task 2

View the following video to see how Apple worked to develop a culture based on trust and collaboration. Visit http://aspirelr.link/steve-jobs-managing-people.

According to Steve Jobs, what is the role of facilitative leadership and teamwork in achieving a culture that is built on trust and can lead innovation in technology?

1C Determine who will take key roles and confirm their commitment

The analysis of the existing organisational culture and structure generally uncovers gaps and needs that must be addressed by significant changes. Who manages these changes and how they are managed will affect the successful implementation of the organisation development plan.

Team members are chosen based on, for example, individual expertise, experience, knowledge and the ability to plan strategically. Their roles may relate to completing a task, managing, coordinating or administering a project to implement the strategy, finding solutions or gathering feedback and creating plans.

The following information outlines the roles of different people in organisation development.

Sponsor	**Change leader**
A senior leader in the organisation is usually appointed as a sponsor or initiator of the development initiative. This person drives a positive commitment and contribution from key stakeholders.	A skilled change manager, project manager or organisation development manager is required to lead the implementation and oversee progress. A team of change agents may support the change leader.
Development champions	**Leaders**
One or more champions can be assigned to communicate the benefits and progress of the development plan and to sustain enthusiasm and commitment. Champions or change agents may be responsible for gathering information and feedback to diagnose culture or workforce issues. This may involve conducting surveys, facilitating focus groups, conducting interviews or making team presentations.	The leader's role is to set the direction and influence teams and individuals to commit to the development plan. Leaders ensure that development activities are implemented and evaluated.

Assign key responsibilities

It is important to confirm commitment from people who take on key roles in the organisation's development plan. Roles must be clearly described, explained and agreed to. This can be achieved by creating a matrix that defines roles, expectations and levels of accountability.

The terms 'approving', 'reviewing', 'creating' and 'input' (ARCI) are useful for outlining key roles and responsibilities in a development plan, as shown in the following.

A

A defines responsibility for approving (i.e. they have ultimate accountability).

R

R defines responsibility for reviewing material that will be distributed, which may include reports, documents, workbooks or key information.

C

C defines responsibility for creating or developing. This should only be the person who is ultimately responsible, not people in the team who may participate in or contribute to this.

I

I defines the key people who provide input.

Prepare the team for success

Putting together the right team is important, as it will affect the success of the change.

Factors to consider include the following.

Vision

Enthusiasm, motivation and commitment will be affected if the vision and purpose are not clearly articulated. All team members need to be clear about the purpose and goal for the team. Decisions need to be clearly and carefully communicated and assumptions need to be clarified.

Dynamics

Team interaction needs to be productive. There needs to be mutual respect for different skills, expertise and capability, and open and honest communication between team members. Building a strong team involves developing loyalty to the team as a whole, as well as to individuals.

Managing time

The plan's time line or schedule must be managed on a daily basis to monitor progress and ensure allocated tasks are achievable across the team.

Diagnosis

The success of the development implementation is only as good as the data or information that informs the plan. Team members must be confident that the diagnosis and analysis accurately reflect the existing state of the organisation and the external environment.

Use Kotter's change process to manage transition

Dr John Kotter, a leading academic in the areas of leadership and change, developed the 8-Step Process for Leading Change. In his model, Kotter outlines an approach to change to reduce barriers and to promote enablers of change. An enabler is a person or action that will help change to happen.

Further information is available at Kotter's website at: http://aspirelr.link/kotters-8-step-process.

The following outlines the approach.

Kotter's 8-Step Process for Leading Change

1

Create a sense of urgency

Change leaders need to ensure that employees feel an urgent need for change. They can do this by formulating a compelling and persuasive reason for why change is needed. Continuous improvement and innovation need to be consistently promoted to ensure organisation members understand the role they play in sustaining organisation success.

2

Build a guiding coalition

Leaders need to get on board senior management and other stakeholders with power to affect outputs and outcomes and influence over inputs, to ensure change can be implemented. A stakeholder with high power and influence over transition would be the senior manager or management group ultimately responsible for approving the project and making funds available to implement change.

3

Form the strategic vision and initiatives

Leaders need to create a strategic vision, one that will direct the change and strategies. This is critical in promoting innovation and continuous improvement. The vision needs to be effectively communicated throughout the organisation and to external stakeholders.

4

Enlist a volunteer army

Leaders need to empower a broad group of people as change agents. These managers and team leaders need to be empowered to act on the vision and drive change. These agents need to be encouraged to engage in creative problem-solving to ensure issues do not become major problems.

5

Enable action by removing barriers

Leaders need to remove barriers to change that threaten the achievement of the vision. They need to increase the driving forces for change and decrease the resisting forces. To identify driving and resisting forces, a force field analysis can be conducted. This analysis begins with brainstorming all the driving and resisting forces affecting the situation. Driving and resisting forces can then be scored or ranked in order of strength and plotted in two opposite columns. In some cases, the driving forces can be increased, while in others, managers may need to develop specific strategies to decrease the resisting forces. For example, managers can increase the driving forces by advocating the reasons that the change needs to occur. Decreasing resisting forces, or barriers, can create a sense of security and empower teams to make decisions to efficiently implement change activities.

6

Generate short-term wins

Leaders need to plan for and track accomplishments, rewarding short-term wins that move towards the achievement of the new vision. Consider the reward, recognition and celebration tools and techniques discussed in Topic 2.

7

Sustain acceleration

At this stage, leaders should be able to change organisational policies and processes that do not support the vision. This many mean hiring or promoting people who can implement change or create new processes.

8

Institute change

Embed the change by demonstrating the relationship between organisational success and the new behaviours.

Change management resources

There are a variety of reliable change management resources available on the internet to help you manage a change:

- Australian Public Service Commission change management resources page: http://aspirelr.link/apsc-change-management

- Kotter Inc, change management blogs, articles, videos and newsletters: http://aspirelr.link/kotter-inc

- Queensland Government manage workplace change resources: http://aspirelr.link/qld-gov-manage-workplace-change

Example: determine key roles

The First IT Consulting Company specialises in providing a range of IT solutions for its clients. The company has approximately 100 employees and is well respected in the industry. Unfortunately, sales have been declining since 2011 and many good people at a variety of levels have left the organisation, resulting in a lack of strong leadership and a culture of disappointment among employees in general.

In late 2014 a new CEO was appointed. He decided to make big changes to the now struggling company. One of his first actions was to appoint an organisation development (OD) manager from within and task him with reinvigorating the organisation's values, unity and culture in general. He also appoints new senior managers and team leaders from within. The new senior managers have teams of varying sizes and are given responsibility for sales, account management and client projects.

The OD manager tasks the senior managers with renewing engagement within their teams and improving performance. The CEO tasks the CFO with more transparent communication to all staff on the financial results of the organisation. The CEO personally takes on coaching of underperforming members of the senior management team. The CEO also talks openly at staff briefings and meetings to all staff about the importance of everyone taking responsibility for customer satisfaction and, ultimately, sales and growth.

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Practice task 3

Prepare a responsibility matrix using this template for key roles at the First IT Company to implement the cultural change. Keeping the ARCI initialism in mind, use the letters A (approving), R (reviewing), C (creating) and I (input) to identify how you think responsibilities should be allocated.

	Core activities – First IT Company cultural change program				
Role	Engagement	Team performance	Communication	Senior manager development	Staff briefings
Senior managers					
CFO					
OD manager					
CEO					

1D Collect and analyse data on business problems

When diagnosing development needs, it may be obvious that some problems in the organisation that are not specific to development strategies need to be addressed promptly, often prior to any development strategies or activities being implemented. Whereas the strategic plan focuses on future vision and goals, problems in the organisation might relate to staffing issues, budgeting or financial controls or use of technology or processes.

Addressing these problems effectively relies on factual inputs that are accurate, informative and unbiased. These inputs can be provided in the form of quantitative or qualitative data.

Data collection

Quantitative data can be sourced from reports and statistical results (e.g. sales figures, financial performance, work performance results, production results and processing errors found in graphs, tables, charts and spreadsheets). Qualitative data can be collected from surveys, feedback forums such as focus groups, customer complaints and performance feedback.

To collect data, you may need to seek assistance from internal information technology, marketing and operations specialists. These people will help you access feedback and performance data and reports generated by the organisation's knowledge management or information management systems.

Data analysis

Quantitative data is analysed by organising statistics so that they are easily understood, looking for variances, trends, categories or themes, and summarising and explaining the information.

To identify business issues, the following three common methods of analysis are used.

Comparison analysis

Qualitative analysis of sources of qualitative data from surveys and observations generally involves:

- sorting and categorising the data into areas, such as attitudes towards leaders, views of remunerations policy and so on, for findings from a staff survey
- comparing and contrasting samples of collected data to identify key patterns or meanings.

You can also assign values to results to identify frequency. For example, out of 320 people surveyed, 15 identified that they felt the CEO's leadership style was too autocratic.

Variance analysis

Variance analysis is used to determine the difference between planned and actual results. In relation to organisational performance measurement, variance analysis is used to measure expenditures (inputs) where the planned amounts of resources to be used are compared against the actual amounts used. Similarly, variance analysis can be used for income (outputs) by comparing the quantity of products produced and sold (income/revenue) against the planned quantity. The difference between the planned value and actual value is called the variance and is commonly reported monthly.

Root cause analysis

The root causes of variances or issues identified from qualitative data need to be determined and addressed. For example, if there is a significant increase in sales (a favourable variance), this may be due to an increase in demand that has not been forecast. This may mean that production planners may need increased training in forecasting methods.

To determine the real reasons, you can develop a cause and effect diagram. These are also known as fishbone diagrams, because the completed diagram resembles a fishbone. The recorder in the group should position the problem or issue at the head of the fish. The possible causes of the problem should be brainstormed and recorded on the bones that are growing out of the spine of the fish.

Example: collect and analyse business data

Conducting 360 degree surveys is one way to capture how people in the organisation are behaving and performing. Findings from such surveys need to be included in the development plan, which will provide recommended action plans to address the any organisational problems.

The following is an example of a 360 degree survey conducted by individuals seeking feedback on their behaviour at work.

Please complete the survey below and return it to _____ by 30 June 2016.				
Please indicate your work relationship with me	Manager	Peer	Employee	Other (please indicate)
How often do you interact with me?	Very often	Sometimes	Rarely	
How would you rate me on each of the following behaviours? Please provide short examples to support your response.				
I display leadership to my team.	Always	Sometimes	Rarely	Never
Example:				
I motivate my team to get work done.	Always	Sometimes	Rarely	Never
Example:				
I am effective in my work.	Always	Sometimes	Rarely	Never
Example:				
I display understanding and consideration of others.	Always	Sometimes	Rarely	Never
Example:				
I display effective listening skills.	Always	Sometimes	Rarely	Never
Example:				
I display creativity.	Always	Sometimes	Rarely	Never
Example:				
I solve problems effectively.	Always	Sometimes	Rarely	Never
Example:				
I could improve by: (select up to three items)				
	Nothing needs to improve	Managing stress better	Being more friendly and approachable	Listening better
	Being more efficient	Understanding the business better	Completing tasks on time	Delegating tasks more often
	Other (please indicate):			

Practice task 4

1. What are the advantages and disadvantages in conducting 360 degree surveys?

2. If you were CEO of the organisation in the case study, what other actions would you take? What other business data would you want to see?

1E Determine and agree on objectives and strategies for organisation development

To obtain agreement from stakeholders on your development plan, you need to ensure the objectives are realistic, achievable, timely and clearly stated. Stakeholders must be able to easily identify how the development plan strategies will affect performance outcomes across the organisation.

An effective consultation process is key to successfully obtaining agreement and commitment from stakeholders. The implementation of your development plan will rely heavily on the contribution of stakeholders when analysing needs, determining strategies and prioritising implementation. Consultation is critical to demonstrate that staff expertise, experience and opinion are sought and valued as important to successful implementation.

The following information provides details of who to consult and what consultation methods to use.

Stakeholders	Consultation methods
Brainstorm who is affected by the plan and who has authority over its implementation and management. Stakeholders who may be consulted include: • any person or group who will be affected by the development plan (e.g. end users, customers) • managers or team members who will be involved in implementing the plan • steering committee members who will oversee the implementation • technical experts or professionals who can provide advice and guidance.	The consultation can be conducted through: • requests in writing or emails • surveys or questionnaires • presentations • meetings • focus groups or feedback forums • working parties.

Set objectives

Consider, for example, that a business may have an objective to maintain 80 per cent of its returning customers over the next 12 months. It then creates a customer retention strategy, such as loyalty deals for return customers. The organisation development objectives need to meet this need, so objectives must be developed to ensure that organisation members have the required skills and knowledge to develop and manage a loyalty program. The objective may be to develop and implement a training and development program for marketing staff by a certain date to ensure they can launch and manage the loyalty program.

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In setting objectives, many organisations use the management by objectives (MBO) approach. MBO involves managers coming together to set mutually agreed objectives based on analysis of issues and any new strategic requirements.

Here is a process to guide you and your stakeholders in setting objectives.

Developing objectives
Discuss with relevant stakeholders organisation development strategies to implement corporate strategies to meet objectives.
Identify what actions are required to meet strategic objectives.
Identify when organisation development actions are required to be completed to meet strategic objectives.
Determine measures that will enable the identification of progress towards achievement of the objectives.
Check that the objectives are SMART.

Analyse stakeholders to prepare for consultation

A stakeholder matrix is where stakeholders are plotted against two variables. To analyse the power and impact of different stakeholders, these variables might plot the level of 'power' of the stakeholder against the 'interest' of the stakeholder in the organisation development outcomes.

Those stakeholders who are likely to resist change and can affect the implementation of the change to meet organisation development requirements need to be managed closely and communicated with frequently.

Those with a much lower interest in the outcomes of the program and with limited ability to affect the implementation process may only need to be kept informed through emails, newsletters or verbal announcements.

Those you need to keep informed are of high importance to the success of the program or change, but with low influence.

The stakeholders with high influence who can affect the outcomes, but whose interests are not directly aligned with the organisation development objectives, need to be kept satisfied with information during the change.

The consultation process

The consultation process involves a number of key steps throughout the development, implementation and assessment of the plan, as shown here.

Consultation process

1

Seek feedback on the recommended strategy, objectives or draft plan

This can be achieved by identifying a group of people who represent various levels of the organisation and seeking their feedback. Another option is for managers to seek feedback and refer any recommendations back to the development team. It is important at this stage that the objectives, rationale, benefits and outcomes are clearly communicated.

2

Analyse feedback and identify any changes required

At this stage it is important to address any additional risks that have been identified through the consultation and feedback.

3

Adjust the plan and seek approval

Rework the development plan to incorporate the feedback received.

Seek final approval and sign-off from sponsors or key stakeholders.

4

Communicate requirements

Inform stakeholders and staff of the final strategies agreed to in the development plan. At this stage it is also important to acknowledge the feedback and contributions received from staff and to explain the decisions for including (or not including) any recommendations.

5

Seek feedback from users/staff

Inform staff of the implementation process and seek feedback from key personnel on any identified issues. It is important at this stage to demonstrate flexibility in the implementation of the development plan to ensure any external or internal issues are considered and managed.

6

Inform staff of progress and completion

Inform staff of the progress and completion of the development implementation. It is important during these processes to seek continuous feedback to ensure issues are dealt with. On completion, acknowledge the commitment and contribution of key personnel and management.

Determine consultation and communication methods

Methods of consultation and communication will depend on the stakeholder group and target audience, and will determine the resources required.

The following provides examples of methods of consultation for different stakeholder groups.

Manage closely	**Keep satisfied**
• Regular, personal interaction via telephone or casual conversation to win and maintain support • Consultation to seek input into change strategy • Fortnightly or monthly status updates presented during a meeting or via email • Milestone announcements and reports	• Occasional personal contact • Consultation with stakeholders who have expertise that can provide input into the change process when required • Emailed written progress or budget reports • Newsletters emailed • Announcements and briefing via blogs/posts on wiki or intranet
Keep informed	**Monitor**
• Daily/regular interaction; team member/s must be available via telephone, email, video or in person for support • Briefings and meetings to communicate change need and requirements, and discuss options • Forums to encourage participation in decision-making by seeking feedback • Workshops to train employees on new practices or processes • Morning/afternoon teas to celebrate small wins • Surveys to obtain feedback • Celebratory lunches to focus on milestone achievements	• Newsletters emailed • Announcements via blogs/posts on wiki or intranet • General feedback via email or wiki/intranet • Organisation-wide briefings

Document strategies

When documenting strategies and objectives, you must clearly align objectives and outcomes with the organisation strategic plan. Your strategies and objectives must be clearly achievable and your development plan needs to include a variety of information.

A development plan needs to include the following information:

- Team members or personnel
- Descriptions of roles or responsibilities
- Schedule of tasks and activities
- Key milestones (e.g. training materials developed, pilot workshops completed, workshops implemented, evaluation completed)
- Resources or equipment needed
- Budget or funding required (costs itemised for all major actions or milestones)

Example: document agreed strategies and objectives

The following is an example of a documented strategy, including a plan for implementation.

Strategic plan goal

Increase our offerings, with a continued focus on environmentally friendly products and services.

Development plan goal

Create a 'Green Team', led by environment SME, to provide advice and support to all staff on policies and issues relating to environmentally friendly products and work practices.

Key personnel and roles

Name	Role and responsibility
Julie So	HR Manager: assist with writing job description, placing advertisement and recruiting team leader from within org or externally
Karen Wheeler	OD Manager: assist with writing job description and recruiting team leader from within org or externally
Joan Friedmann	Manager: assist with writing job description and recruiting team leader from within org or externally

Schedule

Action (how)	Who	Start	Finish	Budget	Resources	Milestones
Write job description and place ad	JS	5/2/2016	10/2/2016	$1,000	PA	
Shortlist candidates	JS, KW	10/2/2016	20/2/2016			
Interview top three candidates	JS, KW, JF	22/2/2016	27/2/2016	$1,500		
Make offer to candidate	JS	29/2/2016	4/3/2016			

Practice task 5

1. If the relevant stakeholders in the previous example were not available for their given tasks, which two people could the OD Manager consult and work with to achieve the task? Why?

2. What actions would you take to develop agreed objectives?

1F Develop communication plans to achieve communication objectives and developmental activities

The success of any change or development strategy relies on good communication between the organisation and the stakeholders who are affected by that change. Change has the potential to destabilise the workforce and may be seen by employees as a threat to their jobs, roles or future. Where communication is effective, the change process is more likely to run smoothly and even create new enthusiasm, motivation and commitment to work.

It is important to identify the different communication needs of stakeholders to ensure they receive the right amount of information at the right time. The channels of communication also need to be clear so stakeholders know what to expect, who they can look to for information and who they can raise issues or problems with.

Here is some information about communication channels.

The effects of establishing clear communication channels
• Understanding of and agreement with the development plan
• Engagement with and commitment to the objectives
• Support for implementation from key stakeholders and decision-makers
• Clear understanding of the progress and status of the implementation

Communicate objectives

According to Kotter, a leading change academic, two of the key elements of successful change are creating a sense of urgency and communicating effectively to create buy-in.

Communicating the rationale for change and the expected outcomes and results helps employees understand why the change is important. Using data and feedback analysis to demonstrate performance trends, technology changes and customer or market issues will help employees commit to the need and urgency of the change.

It is critical to provide opportunities where all stakeholders can discuss the changes that may affect them. It is natural for people to resist change imposed by others, so the objectives of any change need to be communicated openly.

For change to occur with the least disruption, people need to understand why a change is happening, where the change is headed and the advantages of the change to the organisation and individuals within the organisation. It is more likely that change will be adopted smoothly if people understand how it will benefit them and when they trust that there is clear and open communication.

Identify stakeholder communication needs

Stakeholder communication needs will differ depending on the individual stakeholder's role and level of commitment to the organisation development plan. Consider the requirements from the analysis presented earlier. For example, a senior manager would not necessarily be involved in reviewing drafts of training material, but they may want to review material that will be presented or communicated to staff about a change impact.

It is critical, therefore, to understand the different communication needs of your audience. Your audience may include team members, customers, senior leaders, a project or change sponsor and department managers. Each stakeholder will have different needs in terms of what is communicated and how this is done.

The purpose of your communication, its complexity and the language you use will need to be adapted to suit your audience needs. When identifying your purpose, you need to consider why these people should receive this information and how it might affect them.

Determine different audience needs

To assess needs for each group of stakeholders, brainstorm the following questions.

When communicating, consider these questions:

- What does the audience already know about the subject?
- What are the main ideas the audience needs to know about and by when?
- What specifics does the audience need to know about the change and by when?
- What training and support is available for those whose jobs will change?
- Who in the organisation will require written progress reports and when will they need them?
- What methods of communication have worked in past initiatives for this group?
- How will the audience expect to be communicated with?
- How will the audience expect to access information?
- Within units, groups or teams, are there language, literacy and numeracy needs or other learning impairments that will need to be addressed?

Communication plan

The communication plan needs to outline actions and time lines for communicating the development plan and reporting on the implementation progress. You need to ensure that you include two-way communication methods, so that you can quickly and constructively respond to feedback, concerns or issues.

List the stakeholder groups, including end users, customers, senior management and sponsors. Identify what type of communication is critical and what organisational applications, such as wikis and email, are appropriate for each stakeholder group; for example, monthly reports to senior management and sponsors but weekly emails to affected staff.

Here is some information about communication plans.

Your communication plan needs to include:

- Who will receive information
- How information will be communicated
- How feedback will be sought, monitored and incorporated
- How the team will respond to feedback and ideas
- How issues will be recorded and monitored for continuous improvement

Example: develop a communication plan

The following is an example of a communication plan for communicating an objective.

Development objective				
New rewards and recognition scheme to be implemented for innovative and feasible ideas by 15 March 2016				
Stakeholder (group)	**How will we communicate information to them?**	**How will we get their feedback?**	**How will we respond to feedback?**	**How will we record and monitor issues?**
All employees	Monthly – all-staff briefing followed by email; also reiterated in CEO's message of the week (week ending 15 March)	• Listen and record feedback during meeting • Ask employees to email feedback@zimbo.com.au • Open-door policy to allow staff to chat 1:1	Email 1:1	Feedback log

Practice task 6

Imagine your organisation (or an organisation you are familiar with) is undergoing changes. Create a communication plan to get feedback and ideas on the draft development plan strategies. You may use this table to complete the plan.

Objective:				
Stakeholder (group)	**How will we communicate information to them?**	**How will we get their feedback?**	**How will we respond to feedback?**	**How will we record and monitor issues?**

Summary

1. An organisation development plan aligns with the organisation's strategic plan: the strategic plan describes the organisation's purpose and vision, and strategies for long-term success; the organisation development plan describes how the organisation needs to function to meet the goals defined in the strategic plan.

2. Analysing a strategic plan should begin with a needs identification process. This process should involve a range of stakeholders who can assist in devising appropriate solutions and necessary actions.

3. An organisation development plan relates to areas of growth in the organisation, including management, leadership, people, performance, culture, skills, attitudes, capability, motivation, reward and recognition.

4. The elements of an organisation development plan include purpose, goals and objectives, strategies and actions, key roles and time frames.

5. The success of any organisation development is likely to be significantly affected by an organisation's culture, including employee values, perceptions, behaviour, attitudes, feelings, interactions and communication.

6. Since organisation development can lead to significant changes within an organisation, for example in leadership, structure, culture, processes and systems, it is advisable to follow sound change management principles and practices in order to engage employees and create as much buy-in as possible.

7. The effectiveness of a development plan relies on factually accurate and unbiased information and feedback. Data provided can be quantitative (graphs, tables, charts or sheets) or qualitative (reports, evaluations, feedback or surveys).

Learning checkpoint 1
Develop an organisation development plan

This learning checkpoint allows you to review your skills and knowledge in developing an organisation development plan.

Part A

1. Explain why it is important to align the organisation development plan with the organisation's strategic plan.

2. What are some of the main factors that must be considered in the development plan and how do they affect organisation development?

3. Explain why team-building is considered an organisational development intervention and critical for change management.

Part B

Read the case study, then answer the questions that follow.

Case study

As part of the company's strategic plan, the Y Fit Fitness Group aims to grow its personal fitness client base by 100 per cent over the next 12 months. The company currently has ten fitness centres. It is owned by a team of investors and has one CEO and a manager at each centre. Overall, it has 50 full-time staff and 60 part-time staff. The number of full-time and part-time fitness trainers at each centre varies, depending on how each centre is set up and the level of demand for personal fitness trainers. The culture also varies from centre to centre and is largely dependent on each centre manager's areas of expertise, interests, values and skills. The fitness centres that provide the highest level of personal fitness training have a greater number of full-time staff. They also place strong importance on their client relationships and promote and market the advantages and benefits of personal training whenever possible. However, there has not been great emphasis on marketing or promoting personal training across the company. At the higher performing centres, there is also less absenteeism.

1. Identify the key difficulties the company is facing. Write a short introduction and itemise the problems and the impact of each problem.

2. Determine who should be involved in consultation and identify the key roles, including those who should be involved in developing development strategies and objectives.
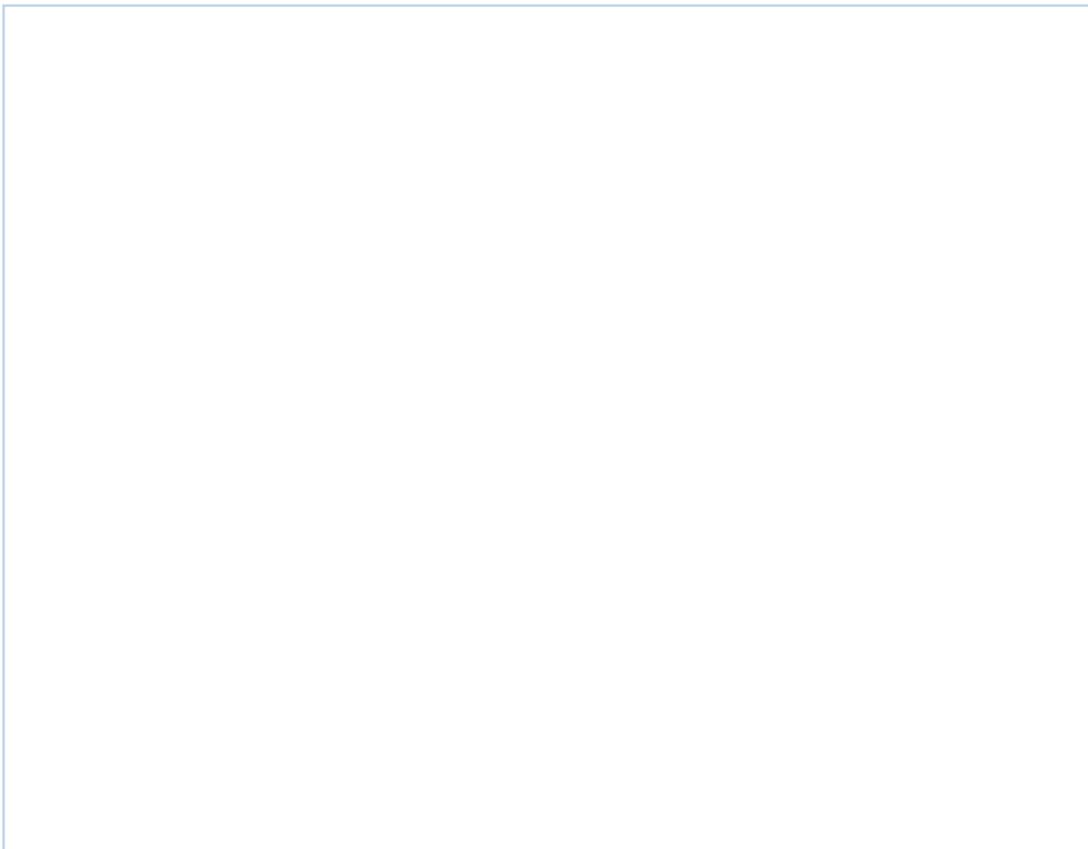
3. Create a 360 degree survey for personal fitness trainers to identify the behaviours that lead to successful results. Develop questions relating to the categories listed in the table below and ensure the language caters for a variety of literacy levels. Use the table to guide your development.

360 degree survey

Personal training requires a strong relationship with your clients, including good communication and interpersonal skills. Self-assess your ratings for the following questions to identify how frequently you demonstrate this behaviour, using this scale:

5 = Always

3 = Frequently

1 = Occasionally

0 = Never

Seek feedback ratings from:

• 1 client

• one team member

• your manager.

Category	Behaviours (questions)	Self-assessment rating	Client rating	Team member rating	Manager rating
Client relationship					
Communication					

Category	Behaviours (questions)	Self-assessment rating	Client rating	Team member rating	Manager rating
Teamwork					
Support to company goals					
Safety					
Further questions to obtain direct feedback					
I apply safe and proper fitness techniques.	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	
I check equipment to ensure it meets safety standards	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	
What development, processes or support would help you improve your personal fitness training for clients?					

4. Identify potential regulatory or legislative effects for the fitness centre survey. Complete the following table.

Scenario	Potential legislative or regulatory effect
Feedback from the fitness centres indicates that all personal fitness trainers need to be full-time and be able to work flexible hours (day or evening as required).	
Data from the centres indicates that some centres are untidy and equipment is not maintained.	
Data from the centres and feedback from the 360 degree surveys indicate that fitness trainers need to improve their awareness of equipment safety.	
Data from the centres and feedback from clients indicates some unsatisfactory service, such as: • personal trainers paying less attention to older clients • staff impatience with language barriers • public gossip about clients' personal lives.	

5. Develop a communication plan for communicating the objective of the survey. Use the following to guide your plan.

Development objective: new rewards and recognition scheme to be implemented for innovative and feasible ideas by 15 March 2016				
Stakeholder (group)	**How will we communicate information to them?**	**How will we get their feedback?**	**How will we respond to feedback?**	**How will we record and monitor issues?**

Topic 2
Implement organisation development activities

Effectively implementing an organisation development plan requires various departments and teams to work together collaboratively to ensure planned changes are successful. Managers are tasked with maximising the probability of success and the organisation development manager is essentially leading the change with the support of senior management and through engagement with other managers and staff.

In this topic you will learn how to:

2A   Identify and implement consultative processes to maximise participation in the development process

2B   Develop collaborative approaches to problem-solving and facilitate groups to articulate problems and propose solutions

2C   Manage conflict by intervening, brainstorming alternative proposals and negotiating outcomes

2A Identify and implement consultative processes to maximise participation in the development process

Successful implementation of an organisation development strategy relies on effective consultation and meaningful participation and engagement of employees.

Critical factors that influence successful implementation of the organisation development plan are presented here.

Development process success factors
Effective leadership from the implementation team, ensuring they have the capability and capacity to meet the time lines and deliverables and to help champion the change
Regularly communicating and reporting on implementation progress, including the status of funding, time lines, resources, engagement, issues and risks
Leading the implementation of the communication plan to ensure staff are clear on the strategy, are engaged in the process and have buy-in to the outcomes and success
Delivering results, ensuring milestones are visible across the organisation, and acknowledging and recognising the contributions, efforts and participation of staff
Engaging with stakeholders to resolve barriers and issues, including minimising stress or performance effects and looking for alternatives or options to address these
Working closely with departments to maximise engagement and looking for other opportunities or strengths that can be leveraged to support the change

Benefits of participation and engagement

Those who are involved in decision-making are more likely to share their views and be less critical of the reasons for and decisions relating to change. Furthermore, employees will be more involved if they believe they can affect decisions or actions. For staff to engage and participate in any organisation development activities, they need to understand that their contributions will be valued and taken seriously. Organisations frequently make the mistake of implementing 'token' gestures to involve staff that result in a tick-the-box approach with no real meaning.

Kahn's engagement theory, developed in the 1990s, recognises the importance of meaningfulness to employee engagement at work. He explored the relationships between employee engagement and their positive sense of self. Herzberg's two-factor motivation theory aligns with Kahn's engagement theory: Herzberg argues that autonomy increases an employee's willingness to engage in work. He recognised that intrinsic factors such as importance of contribution and personal growth actually motivate employee engagement.

To learn more about Kahn's engagement theory, read the document available at: http://aspirelr.link/employee-engagement-report. For further information on Herzberg's motivation theory, visit: http://aspirelr.link/herzberg-motivation-theory.

Effective consultation, collaboration and participation

Effective consultation can be achieved by involving staff in meaningful actions that contribute to the implementation outcomes. As part of your development plan, include consultation processes that involve staff.

These consultation processes can include the following.

Open communication	Establish open communication channels that allow all staff to ask questions and challenge ideas, approaches and methods. It is also critical to articulate the chain of command or the lines of communication so all staff know who to communicate with for specific issues.
	Involve staff in generating ideas on the best way to communicate with customers and manage their feedback. Outline a plan for involving staff in how customers are to be informed of the change (where relevant). Include a comprehensive schedule of events and time lines.

Obtain commitment	Ensure buy-in from managers by providing them with tools and resources to communicate the change and to monitor and report on levels of responsiveness. All communication and messages regarding implementation must be consistent and have buy-in, enthusiasm and support from managers and leaders across the organisation. Managers or leaders who are not fully supportive will drive a similar reaction and response from their team and potentially other leaders in the organisation.
	Ensure there is a charter for senior management to be actively involved in the implementation process through delivering presentations, monitoring responsiveness and looking for ideas or opportunities. Senior management must be accountable for the success of the implementation of the organisation development plan and must actively guide its success.

Intervention participation	Ensure staff participate in the identified activities and interventions to enable change in behaviour, attitudes and processes, which may include the following:
	• process consultation
	• team building
	• intergroup development
	• sensitivity training
	• training and development
	• job redesign
	• career planning.

Encourage involvement	Involve staff in focus groups or working groups representing each department to build recommendations and execution strategies to address implementation issues. Some examples for involving staff in this way are the following:
	• Brainstorming ideas to implement culture change/establish new values/improve morale
	• Developing KPIs or performance measures
	• Sharing information, data, stories or experiences
	• Generating ideas and recommendations
	• Being involved in working groups or a task force to oversee a particular aspect of the implementation
	• Evaluating and monitoring outcomes and results
	• Championing the implementation and communicating or presenting elements of the strategy or milestones
	• Conducting staff surveys

Build on strengths	Identify strengths that can be built on – some teams or individuals may already have begun developing their own solutions to the problems you have identified in the plan. You need to harness these ideas and build on them. Departments, teams or individuals are less resistant to change when they have initiated their own solutions. You need to ensure their solutions are acknowledged and utilised where possible. Alternatively, you need to ensure the benefits of your solutions are clear.

Effective communication for employee involvement

Organisation development leaders must have effective communication and consultation skills. As an OD manager, your role is to champion the organisation's strategic direction and lead all staff towards a common goal. This often requires overcoming resistance, driving new values and behaviours, and helping to build productive relationships across the organisation.

Being able to persuade others and negotiate outcomes is critical to your effectiveness in leading change. Your ability to communicate a message to staff that is compelling, credible, purposeful and beneficial helps you build rapport and influence staff. It is also important to show strong leadership by openly discussing and addressing the 'elephant in the room' or any issues that may be a real concern to staff.

Example: implement consultation processes

Karen Wheeler, the organisational development manager at a new organisation, has checked her OD plan to pinpoint the activities that must be completed in the first quarter of 2016. The following table shows the activities she has prioritised and the strategies she intends to use to ensure that as many members of staff are consulted as possible for each one.

Activity	Consultation strategy
1. Reinvigoration of company values	Arrange special all-staff meetings where values are discussed (why have them, what they are, how we will choose new ones) and staff can put forward suggestions for new values.
2. Design of new rewards and recognition system	Survey emailed to all staff and results collated by OD team.
3. Updated format for staff appraisals	Department managers elicit feedback on new appraisal format in weekly department meetings.
4. Variety of social events to allow staff to get to know each other better	Form social committee – Karen Wheeler to email all staff asking for people interested in being part of the committee. Hold social committee meetings once a month to discuss and arrange social events.

Practice task 7

You are the OD manager in an organisation that has recently conducted an employee survey for the first time as part of the OD plan. You and your team have collated and analysed the results.

List two strategies you could use to feed back the survey results to staff. What are the pros and cons of each one? Complete this table with your answers.

Strategy	Pros	Cons

2B | Develop collaborative approaches to problem-solving and facilitate groups to articulate problems and propose solutions

Organisations need teams. Teams and groups are capable of generating hundreds of ideas and solutions – many more than individuals could do on their own.

Organisation development managers need to be skilled in bringing people together to work in teams or groups, in order to work towards the goals stated in the organisation development plan. Teams/groups of people need to be encouraged, even trained, to work together – this does not come naturally to everyone. Collaborative problem-solving involves teams of individuals working together to resolve a particular issue or concern in the organisation.

Organisation development managers often have to consider or reconcile a variety of interests in order to address complex business problems. Some of these problems can be widespread or founded on strong cultural bases. This makes them difficult to resolve without the involvement of employees and stakeholders.

When multiple stakeholders collaborate, they create a collective resolution that is mutually beneficial to all parties. This collaboration can support mobilising the resources necessary for more workable and sustainable solutions.

Collaborative problem-solving process

One approach to getting the team to work together to solve problems is to lead them in the 8-Disciplines (8D) method. The 8D method was developed by the Ford Motor Company in the late 1980s to help teams resolve design and production issues. The method is now applied in a number of organisations to solve any number of problems.

Once the organisation development plan has been created, you can use the eight disciplines in the problem-solving process. It is important to ensure that each step applied in this problem-solving process, so thorough planning and preparation are vital. Prior to implementing the problem-solving process, you need to identify who will be involved. Create a plan outlining your approach: who will be involved, the time frame and any resources that are required to assist with solving the problem.

An outline of each of the steps in the 8D method is provided here.

1

Create a team

You need a team with the skills required to solve the problem. You also need team members who have the time and energy to commit to the problem-solving process.

You need to also consider the diversity you require in the team to reach a creative solution. Using the Belbin Team Roles model can assist in identifying and understanding the key roles team members play and where a team may have skills gaps. Alternatively, coaching a team in using Edward de Bono's Six Thinking Hats technique helps team members to think in new and imaginative ways. Having a creative and flexible team is likely to result in creative solutions.

Create a team matrix that outlines the team's goal and identifies each person's role. Where team members are unfamiliar to each other, implement strategies to build trust and rapport and to engage the team in the problem-solving process. Consider beginning with team-building activities to help the team become comfortable working with one another.

2

Determine the problem

Once your team is established and roles are clear, describe the problem in detail. Ensure that you're focusing on the right problem and include the who, what, when, where, why, how and how many.

Identify the problem's risk level. Conduct a risk analysis using the experience of the team – if the problem is causing serious risks, then appropriate or immediate action needs to occur to resolve it; for example, stopping people using processes that are causing major errors until the problem is resolved.

Outline the steps involved in a process – this may involve using tools such as a flow chart or fishbone diagram to define each step. These tools help your team members clarify the process before resolving it.

3

Temporary solution

Once your team has clarified and agreed on the problem, identify whether a temporary solution is needed. If the problem is affecting customers, affecting quality or slowing down work processes, steps should be taken as an interim measure.

Capture and harness the knowledge, experience and ideas of everyone on the team. Ensure that team members have equal opportunity to contribute their ideas. Use brainstorming techniques alongside more traditional team problem-solving methods.

Once the group has identified possible interim interventions, you need to identify the costs, time and relevance of these interventions. A short-term intervention should be fast, easy and worthwhile.

4

Root cause elimination

The fourth discipline relates to discovering the root causes of the problem.

Apply a root cause analysis to determine the root causes of the problems you've identified. This helps uncover a range of possible causes and it can potentially reveal other problems.

Once you have identified the source of the problem, you need to eliminate the root cause.

5

Verify the solution

Ensure your permanent solution is tested thoroughly before implementing it. The following tools can be used to test the solution:

- SWOT analysis to decide on strategy to develop an individual, team or the whole organisation
- Process flow chart to identify problems likely to be caused by faulty or inconsistent processes
- T chart (pros and cons) and force field analysis to decide on best option or alternatives
- De Bono's Six Thinking Hats to examine the solution from several different emotional perspectives
- Impact analysis or solution effect analysis to ensure unexpected consequences are identified
- Identifying when group consensus is required
- Brainstorming and the nominal group or Delphi technique to generate many ideas and not just the usual solutions; helpful when all other alternatives have been tried and still a new solution is needed
- Root cause/fishbone analysis and a 5 Whys analysis to identify the root cause or causes of a problem

6

Permanent solution

Once a solution is agreed to, it needs to be implemented.

You need to monitor and evaluate this solution closely to check whether the right result is being achieved and there are no other unexpected impacts. Team members can be involved in this process.

7

Prevent recurrence

When it is clear that the solution has resolved the problem, you need to ensure it will be sustained. Involve your team in identifying how to achieve this; for example:

- Updating policy
- Updating processes
- Developing and implementing controls
- Training

8	**Celebrate team success and review**
	Lastly, celebrate and reward your team's success. Acknowledge and recognise each person's individual contribution to the achievement.
	Also analyse whether your solution is working effectively by conducting a post-implementation review.

Identify and analyse risks

Here is an outline of how risks can be identified and analysed.

Identifying risks	**Analysing risks**
Risks can be identified through brainstorming and consulting with teams, specialists and other managers about likely risk scenarios and issues. The team or group can also review documentation related to previous projects, change initiatives or similar problems to identify indicators of risk, which may include:	You need to determine a risk's likelihood and impact. The likelihood of the risk occurring may be very likely, likely or unlikely. Some organisations use different words, such as 'expected' instead of 'very likely', 'probable' for 'likely' and 'improbable' for 'unlikely'. The consequences of the risk may be major, moderate or minor.
• budget overruns	Risk management is also able to identify opportunities. For example, analysis may reveal that a member of the team has skills that have not been taken into account previously.
• impact on service delivery and loss of production capability	
• loss of key organisational members who are instrumental in making change or resolving the problem	
• resistance from staff and senior management.	

Evaluate risks

To evaluate risks, a risk assessment matrix can be used where likelihood and impact are identified to determine the level of the risk at the point where these intersect on the matrix.

High risks become the priorities for treatment and may require the development of contingency plans. Moderate risks will need attention. Some low level risks may be seen as low priority, as they can be resolved through routine procedures or practices.

Treat risks

Even when risk tolerance is high, risks need to be treated. The objective is to eliminate or avoid the risk where possible. Should the risk occur, the objective is to control the outcome.

Here are the five options for managing risks.

Avoid the risk	Options to avoid risk include the following: • Do not become involved in activities that lead to the possibility of the risk eventuating. • Outsource risk-related tasks to contractors or specialist providers. • Discontinue practices that may realise the risk.
Reduce the likelihood	The likelihood of risks can be lowered by removing various stimuli or situations likely to materialise the risk. This may be as simple as: • reducing exposure to the risk environment • removing or reducing activities that may lead to the risk being triggered • using inspection controls and quality assurance measures • ensuring time lines are realistic.
Reduce the impact	Contingency plans are a valuable tool for helping reduce the impact or consequence of a risk event and include: • establishing measures to control or minimise damage if the risk is realised, such as fraud control planning, public relations, disaster recovery planning, pricing controls • developing administrative measures, controls, policy or procedures to provide guidance.
Share the risk	If a risk is too high to take on alone (for example, expanding the business into a new industry), partnerships and strategic alliances allow for risks to be shared. Sharing the risk also commonly involves external investors such as venture capitalists, or insurers and underwriters, and may include insuring against an event occurring.
Retain the risk	Some negative risks may be at an acceptable level when the likelihood and consequences can be adequately managed internally within the organisation. Others may have such a low level as to not warrant any effort. For example, occasional staff absences may not have a huge impact on meeting time lines, so this low-level risk can be accepted.

Resources for analysis

To learn more about the tools and techniques involved in the problem-solving process, access the following resources.

- American Society for Quality:
    - 'What is Root Cause Analysis (RCA)?' at: http://aspirelr.link/root-cause-analysis
    - 'Process Analysis Tools' at: http://aspirelr.link/process-analysis-tools
- Belbin's Team Role Theory: http://aspirelr.link/belbin-team-roles
- *Harvard Business Review* video, 'The 5 Whys': http://aspirelr.link/5-whys-video

Avoid groupthink

According to the psychologist Irving Janis, groupthink occurs when a group makes faulty decisions because of group pressures. When considered in the context of solving work problems, this group pressure can result in group members holding back personal viewpoints and ignoring alternatives.

The symptoms of groupthink and their effects
Illusion of invulnerability: groupthink creates excessive optimism that encourages taking extreme risks
Collective rationalisation: group members believe in their cause and therefore ignore the ethical or moral consequences of their decisions
Belief in inherent morality: members discount warnings and do not reconsider their assumptions
Stereotyped views of out-groups: negative views of the 'enemy' make effective responses to conflict seem unnecessary
Direct pressure on dissenters: members are under pressure not to express arguments against any of the group's views
Self-censorship: doubts and deviations from the perceived group consensus are not expressed
Illusion of unanimity: the majority view and judgments are assumed to be unanimous
Self-appointed 'mind guards': members protect the group and leader from problems or information contradictory to the group's views or purpose

Ensure activity and intervention participation

Teams and people working collaboratively with others in the organisation are imperative to the successful implementation of organisation development activities and interventions. It is the OD manager's responsibility to ensure that employees are given ample opportunities to participate in OD activities and interventions, communicate their ideas and seek clarification where necessary.

The OD manager's skill set therefore requires excellent communication skills with staff at all levels, and the ability to use a range of consulting strategies and processes to encourage employee participation in development activities and interventions. Where development activities and interventions require problem-solving, the OD manager must be skilled in using tools and techniques that allow for a systematic approach to solving problems that allows employees to generate many creative solutions.

Encourage employees to take action

In the video, 'How Can Leaders Encourage Employees to Take Action?' John Kotter discusses how OD managers can overcome their concerns in applying pressure on their employees to respond to change. This video is available on the following website: http://aspirelr.link/kotter-video.

Example: problem-solving techniques

Casey is the finance manager at a paper company. He has three people in his team. Casey knows that the organisation needs to cut costs. In the next department meeting, he facilitates a session where his team first brainstorms all the areas where they feel they could save money. They then use a fishbone analysis to discover the root causes of each area, so they can generate possible solutions.

The following is an extract from the table they create for the problem of reducing the amount of money coming out of petty cash.

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Money taken from petty cash for...	Possible reason 1	Possible reason 2	Possible reason 3	Solutions
Ad hoc taxis	People don't realise how the sums add up each month	People are reluctant to use public transport – it takes too long or buses/trains are too crowded/hot People feel it does not look professional	People cannot be bothered to walk to locations in the CBD	1. Inform staff of total amount spent each month 2. Encourage all staff to use public transport – highlight benefits to them of savings for the company 3. Encourage people to walk to locations within the CBD – raise awareness of health and fitness benefits
Birthday cakes every week	Different people buying cakes when anyone has a birthday, so no-one realises how much is being spent overall	People are not careful with the price of birthday cakes – they do not think about how it all adds up	There is no system in place for when we celebrate birthdays – we buy a cake whenever there's a birthday	1. Suggest to all staff that we have birthday cakes once a month at the EOM 2. Raise awareness of how much we are spending overall

Practice task 8

Read the scenario, then complete the task that follows.

Scenario

You work for a medium-sized organisation that is looking to increase sales significantly. This has been identified in the organisation's strategic plan for the next two to three years. As part of the corresponding OD plan, you have identified a need to improve systems for capturing and sharing information across the organisation related to past client projects. There is no system currently in place and people often complain to you that trying to find information on past projects is frustrating and time consuming.

Use the 8-Disciplines process to consider how you would address this issue and what the results of using this process might be. In your answer, imagine what the outcomes could be if you were to use this process with the same situation in your own organisation. Use **this table** to present your response.

Goal:		
Objective:		

Step	Action	Expected results
1. Create a team		
2. Determine the problem		
3. Implement a temporary solution		
4. Eliminate the root cause		

...continued

5. Verify the solution		
6. Implement a permanent solution		
7. Prevent the problem from recurring		
8. Celebrate success		

...continued

2C Manage conflict by intervening, brainstorming alternative proposals and negotiating outcomes

Conflict may involve a simple disagreement between two or more colleagues trying to reach a decision or solution, or it could be based on international disagreement between nations. People experience conflict when their perceptions, values, ideas or beliefs are threatened or obstructed by another person, group or party. People react to conflict as a result of what they believe or perceive to be true.

In creating or implementing an organisation development plan, conflict may result from different opinions relating to people's own perceptions or experiences of how things work well or how things should be done. Conflict may also result from personality differences and tensions where people have strong emotional attachment to their ideas and opinions and may see different views as confrontational or attacking.

Here is some information about possible sources of conflict and how to manage conflict.

Sources of conflict	**Conflict management**
Other sources of conflict include the following: • Goal incompatibility – people have goals that interfere with each other • Differentiation – people have differing beliefs and attitudes due to their backgrounds and experiences • Task interdependence – team members often have to rely on others in completing their own tasks • Scarce resources – competition between people arises when resources are scarce • Ambiguity – this increases the risk of people crossing over or interfering with the goals, objectives or work of other parties • Communication issues – people lack the opportunity, ability or motivation to communicate effectively with others	As an organisation development leader, you need to play a key role in helping resolve conflict situations. The benefits of effective conflict management include the following: • Increasing understanding of people's relationships with one another • Developing respect and respectful behaviours • Improving your leadership credibility in the organisation • Minimising future conflict situations • Creating a more harmonious work environment that fosters trust, cooperation and collaborative decision-making • Strengthening and reinforcing organisational values, behaviours and policies

Conflict resolution styles

In the 1970s, Kenneth Thomas and Ralph Kilmann identified five main styles of dealing with conflict. They argued that people typically have a preferred conflict resolution style. They also noted that different styles were most useful in different situations.

The following information provides descriptions of Thomas and Kilmann's five conflict responses. Review each of these conflict resolutions styles and consider how you might adjust your current approach.

Avoiding – goal is to delay

In this response style, people tend to avoid conflict altogether or delay it as long as possible. They choose to ignore the conflict and pretend it does not exist. This type of behaviour may include engaging others to implement or communicate controversial decisions or accepting decisions that we do not agree with. Avoidance is useful when one's stake in an issue is not high.

Competing – goal is to win

Competing is a win–lose approach to conflict. It involves trying to win at all costs; that is, at the other person's expense. A person using this style is usually uncooperative and often aggressive. This style can be useful when quick decisions need to be made, but it can often lead to resentment and dissatisfaction. Competing seems most appropriate when there are conflicts of values.

Compromising – goal is to find the middle ground

Individuals adopting this style look for solutions that will satisfy everyone, at least partially. Everyone is expected to compromise to resolve the situation. This style works well when people recognise that the conflict cost is greater than making some concessions. Compromise is useful when there are no simple solutions, both parties have a strong interest and there are time limits.

Accommodating – goal is to give in

This is also a win–lose style. However, when accommodating we lose so the other person can win, usually at the expense of our own needs. A person using this response style is highly cooperative and non-assertive. With this style, we often unnecessarily surrender our own position without justification. This style can achieve results when the issue matters more to the other party or when the relationship means more than the issue. Accommodating is an appropriate style to apply when there is a need to maintain good relationships.

Collaborating – goal is to find a win–win outcome

The aim of the collaborative conflict response style is to meet the needs of everyone involved. It combines assertiveness and cooperation. This style values everyone's needs equally. It is most effective when you need to consider a variety of perspectives and points of view. The collaborative approach has fewest negative side-effects. This style is best applied with critical issues and important relationships, but where there is no constraint of time.

Steps to successfully resolve conflict

Following are ten steps that can be used to resolve conflict successfully.

Conflict resolution

1 **Manage reactions**

Develop skills to manage your thoughts, feelings and reactions. This involves taking time to reflect on feelings and to turn the automatic 'go' response into a more deliberate 'know' response.

2 **Defuse emotions**

This involves allowing the person to cool down before discussing an issue by:

- agreeing to take a break until they can calm down or regain composure
- actively listening to them and reflecting back their feelings and what you perceive their situation or concern to be
- hearing them out without becoming defensive or shifting into win–lose thinking.

3 **Acknowledge that conflict exists**

Having used active listening to identify the true problem, you need to use statements that acknowledge the conflict; for example, 'It appears we have conflicting views on the cause of this problem'.

At this point, define what the problem or issue is, as well as its consequences. Are the conflict response styles of each person helpful or harmful in this situation?

4 **Allow each person to relate their view, perception or understanding**

This involves:

- keeping to the facts; without embellishing or exaggerating
- keeping a check on emotional reactions when communicating; the less emotional each person is (or appears to be), the more the other person is likely to listen to their point of view
- showing respect for the other person's opinion and recognising their need to be heard fairly and without judgment.

5 **Summarise what's happening in the situation**

This means agreeing on the problem and summarising each person's viewpoint.

6 **Allow the parties to explore possible solutions together**

The following methods may be useful when exploring solutions:

- Agree on the desired outcome and then discuss how to get there
- Break the problem down into smaller parts and tackle them one at a time
- Start with the 'obvious' solution (if there is one) and discuss its advantages, disadvantages and alternatives
- Brainstorm to identify all possible solutions
- Choose to maintain the status quo
- Establish alternatives if agreement cannot be reached

7 **Reach agreement on a solution**

It is most likely that by this step the conflict will already be resolved. Each party will clearly see a win–win solution and be ready to move quickly into creating an action plan. It may also be that the process by now has uncovered some new understanding or appreciation of the different perspectives.

8 **Prepare an action plan**

This will involve recording the:

- description of each action or step
- allocation of responsibility
- time frame for completing each action.

9 **Follow up to ensure resolution**

During the conflict resolution process, the parties should agree on what follow-up actions they will take to ensure that what is promised is actually done.

10 **Learn from the experience; evaluate the resolution process**

Each party should have the chance to reflect on the process and gain new insights by assessing the effectiveness of the actions taken.

The conflict resolution steps

The conflict resolution steps (adapted from Trinder & Wertheim 2005) are a tool that managers and team leaders can use to resolve team issues and achieve win–win solutions. This tool identifies six positive actions a manager or team leader can undertake within a conflict situation.

These steps are shown in the following information.

Conflict resolution steps can:

- contain and manage strong emotions
- verbally express own thoughts and feelings
- identify and express own interests
- empathise with others
- generate a number of solutions to the problem
- negotiate a win–win solution.

Example: manage conflict

AMG is a small technical consulting company. Conflict arose between two colleagues on the approach to a client problem. Each person had a different view on the most appropriate and cost-effective solution. Colin, who was to implement the solution, believed it would be preferable to submit a solution that would be sustainable over a long period of time, even though it was more costly to the client and required resolving a number of challenges. Kate, the client manager, believed she understood the client needs best. She also believed the client was looking for a less costly solution and might be quite agreeable to an updated solution at a later stage.

In helping to resolve this conflict, the area manager, Michael, asked Kate and Colin to outline their ideas and articulate why they thought their solution was preferable. Michael asked that each person only discuss the facts and not share their emotional justifications. Michael then summarised the situation and each person's views, checking that this was accurate. He guided Kate and Colin on agreeing to a solution by breaking the issues into smaller parts and addressing them according to organisational processes.

Here is some information about managing conflict.

Possible solutions to managing conflict
- Michael started with the 'obvious' solution (if there was one) and discussed its advantages, disadvantages and alternatives.
- He helped to facilitate a brainstorming session to identify all possible solutions and assess each option.
- He then encouraged Kate and Colin to negotiate a win–win outcome.

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Practice task 9

Identify a conflict situation in your organisation or an organisation familiar to you.

1. What methods would you recommend to resolve this conflict?

2. What would you do to assist both parties to acknowledge and respect each other's differences?

3. How could you help them reach agreement?

Summary

1. Effective consultation can be achieved by involving staff in meaningful actions that contribute to the implementation outcomes.

2. Successful implementation of a development plan relies on creating buy-in from employees: ensuring open communication; providing opportunities for employees to generate ideas and contribute to implementation activities; finding ways to build on existing strengths; involving affected staff in testing or trialling new ideas; and establishing a charter for senior management.

3. The 8-Discipline problem-solving process is a very useful tool for encouraging collaboration and solving problems as a team in a simple but logical manner.

4. Being able to persuade others and negotiate outcomes is critical to your effectiveness in leading change. Your ability to communicate a message to staff that is compelling, credible, purposeful and beneficial helps you build rapport and influence others.

5. Collaborative problem-solving allows teams of individuals or stakeholders to work together to address a particular issue or concern. Organisation development managers often have to consider or reconcile a variety of interests in order to address complex business problems.

6. Thomas and Kilmann's five conflict response styles are: competing, collaborating, compromising, avoiding and accommodating.

7. Conflict is a normal and healthy occurrence within teams and organisations. It allows for debate and constructive criticism, and encourages people to work together to generate creative solutions to problems. An OD manager's role is not to prevent conflict; it is to manage conflict so that it contributes positively to organisational development.

Learning checkpoint 2
Implement organisation development activities

This learning checkpoint allows you to review your skills and knowledge in implementing organisation development activities.

Part A

1. List five techniques to facilitate the effective participation of staff in the implementation of the development plan.

2. Provide three examples of how staff can be involved in focus groups or working groups.

3. To test a solution to a problem, what tools or techniques would you use and why would you use them?

4. When would you apply the compromising resolution style?

5. According to Kotter, how can leaders encourage employees to respond to change and therefore effectively participate in change activities and interventions?

Part B

In this section you are required to prepare a process for other leaders in your organisation to follow to manage conflict, including identifying solutions, negotiating and agreeing on outcomes. This may be an organisation you have previously worked for or one that you have close contact with, such as your training provider, a not-for-profit that you volunteer with or a sporting or social club.

Part B
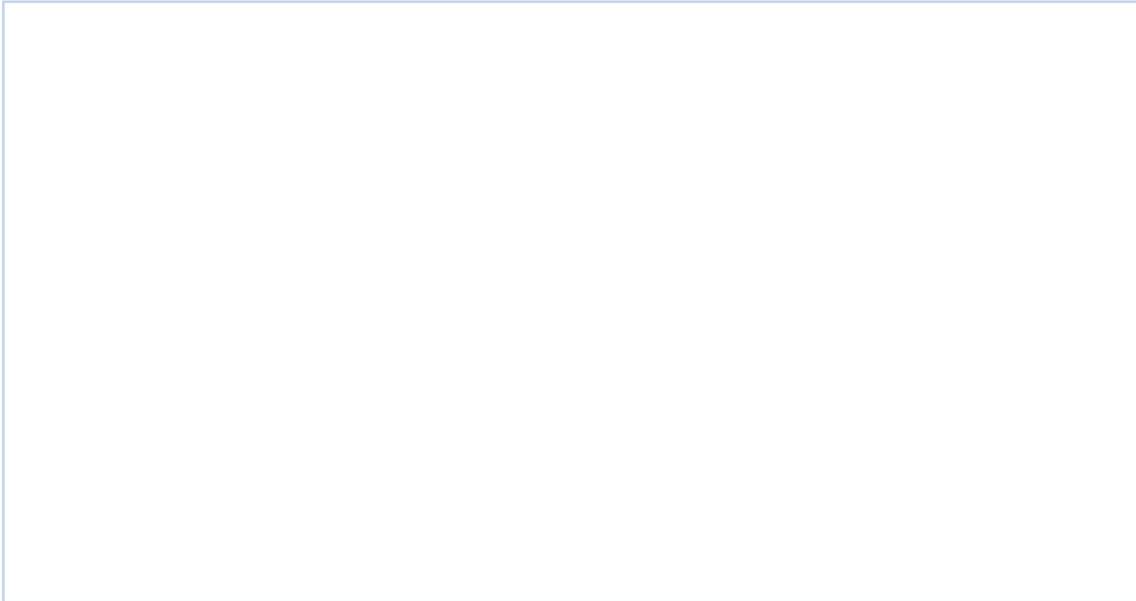
Topic 3
Maintain the organisation development program

Maintaining the organisation development program is challenging, even for the most experienced practitioners. Following the launch of the program, employee and management motivation and enthusiasm to support the program can be overtaken by daily tasks or other emerging priorities. Addressing program issues and responding to stakeholder demands is sometimes all-consuming for an organisation development manager. This can result in putting aside other areas that may be less demanding, such as the needs of the team and employee engagement and participation. As an organisation development manager, you need a range of tools and methods to maintain the organisation development program.

In this topic you will learn how to:

3A   Undertake surveys to identify support for the program

3B   Maintain regular team meetings

3C   Maintain, evaluate and modify development activities as required

3D   Ensure senior management supports the development program

3E   Evaluate organisation development plans for cost-effectiveness and benefits

3A | Undertake surveys to identify support for the program

Maintaining support for any organisational program over a sustained period of time is always going to be a challenge. The organisational development manager's role, therefore, not only involves measuring the success of organisation development activities, but also identifying the levels of support for these activities across teams and individuals.

Implementing surveys to identify and monitor support for the program provides you with important data on the level of the support the program is achieving and whether any interventions are required.

Identify success factors

Prior to implementing surveys, it is important for you and your team to determine what success means, or looks like, in terms of program support.

The following information provides a description of success factors, their indicators and how we can test actual results against expected results.

Success factors

Ideally, success measures relating to the results of OD activities will also assist in assessing whether:

- support for the implementation has begun to waver or taper off
- participation rates have decreased
- customer satisfaction levels have increased
- efficiency levels have increased.

Indications

Success measures that reveal unexpected results may indicate other issues that were not considered or factored in. For example, the level of employees attending or participating in skill workshops may be high (i.e. they are meeting the success measures), but there is significant failure in the numbers who are completing the on-the-job tasks (i.e. an unexpected result and an important success factor).

Test expected results

As shown by the example above, establishing measures of success is another way of testing our assumed or expected results. We think that particular actions will bring about a particular result. Establishing measures and then comparing actual results with assumed results is a reality-check. If the results do not meet our expectations, we then explore what should change or what should continue.

Design surveys

Survey design is complex and it is easy to obtain inaccurate or skewed results. Therefore, it is important that surveys are used in conjunction with other evaluation methods to identify support for the development program. These can include follow-up interviews and focus groups.

Furthermore, surveys are often used to help identify where further inquiry is needed. For example, after obtaining an indication of stakeholder engagement, you can conduct further investigations such as interviews or focus groups to gain more understanding of or insight into the responses.

The methods used to survey, evaluate or test our success measures are critical in informing us of the level of support for the organisation development program The following presents guidance in survey design, which is based on Bradburn, Sudman and Wansink's 2004 book *Asking Questions: The Definitive Guide to Questionnaire Design.*

Here are the different elements to take into consideration when designing surveys.

Questions

Clearly identify the survey's purpose or objective, then decide what overarching questions you want to ask. This will help guide your specific questions.

Decide who will be surveyed and how many people to involve. Will you conduct a sample survey or survey everyone? When using sample surveys, you need to be careful that your conclusions will be truly representative of the wider organisation. Who you survey and the number of people you survey will influence whether your responses are meaningful. Sample groups also need to be consistent, so you need to ensure that some areas are not overrepresented. For example, if you only receive 2% of responses from one area and 80% from another area, the results will not be truly representative and therefore not valid. It is also possible that a low response rate may, in fact, be a reflection of some dissatisfaction or lack of engagement that needs to be addressed.

Administration method

Determine how you will administer the survey. For example, do you plan to use emails, survey templates and/or interviews? Each method introduces special considerations:

- Interviews allow you to clarify responses and ask probing or follow-up questions. However, one-on-one interviews are time consuming and the interviewer must have good communication and interview skills to build rapport and elicit feedback. Results can be influenced by the dynamics or relationship between the interviewer and interviewee, especially if there is lack of trust between the two.
- Emailed or distributed templates may require time-consuming compilation of results.
- Survey tools (e.g. SurveyMonkey) allow for anonymous responses, are easy to compile and allow for a wide distribution of respondents.

Interest and engagement

Asking potential respondents whether they are willing to participate in a survey is a useful way to arouse interest and engagement. Notifying participants in advance that the survey will be conducted is sometimes sufficient in obtaining the level of engagement and interest you want. Even if it is a sample survey, notifying all stakeholders might be the first step in creating interest in the results.

The respondents' level of interest in completing the survey will more than likely depend on how well they understand the purpose of the survey and why their participation is important.

An introductory message should include such information as:

- what will be done with the survey results
- privacy and confidentiality
- an explanation of how the results will be used
- feedback – how will respondents find out the results?

To establish greater credibility, you could include a note of endorsement from a senior manager or other leader in the organisation.

Review questions

Based on your overall question or purpose for the survey, you need to develop specific questions that will give you the data you are looking for. Surveys are notorious for providing ambiguous results, so you need to ensure your questions will lead to clear, explicit responses.

The following are some key points to remember:

- Ask one question at a time.
- Avoid questions that include a list of items.
- Avoid questions that do not have an answer.
- Avoid meaningless questions.
- Be aware of the response bias of participants.

Finalisation and test questions

Poor survey results will occur if respondents interpret questions in different ways. Questions should be tested to ensure your results are reliable. This can be achieved by selecting a small group of people to review and walk through the survey together. After each question is reviewed, check if there was any part of the question that was not clear, what the respondent's first and immediate response was, and whether there could be any other interpretation of the question.

When all questions have been finalised, they should be distributed so that this process can also be tested. Could respondents easily access the survey? Were the instructions clear?

The results from the test group should then be collated into a sample report. This will test how easy it is to process the results. Check that all of the responses are useful, clear and easy to compile. Make the appropriate changes before distributing.

Further guidance for developing survey questions

The following are some key points to remember when developing survey questions.

Ask one question at a time

Don't include two questions in one. For example, 'Are your ideas valued by the organisation and implemented on a regular basis?' There are two questions here that may have different responses.

Avoid questions that include a list of items

Questions such as, 'Are you interested in being involved in the implementation launch, the process redesign, the evaluation activities?' don't give the respondent an opportunity to select one item in the list.

Avoid questions that do not have an answer

Consider the question 'Are you involved in implementation activities such as team-building and process consultation?' If the respondent has not been involved in any of these activities but has been involved in, for example, training, they may be confused about whether to answer yes or no. Answer options, such as 'Other' or 'Not applicable' should be included.

Avoid meaningless questions

Don't include questions just for fun or because this is something you'd like to know. Each question must have a purpose aligned with the survey purpose. Check that the questions will ensure you receive the data you need.

> **Be aware of the response bias of participants**
>
> We all have reactions to being questioned about our behaviour and attitudes. What the respondent actually remembers will also influence how they answer questions. You need to ensure the results you obtain are reliable.

Example: identify support for development activities

During the implementation of a development program in a medium-sized utility company, informal feedback indicated a lack of engagement by staff. The OD manager implemented a survey to help determine whether the managers:
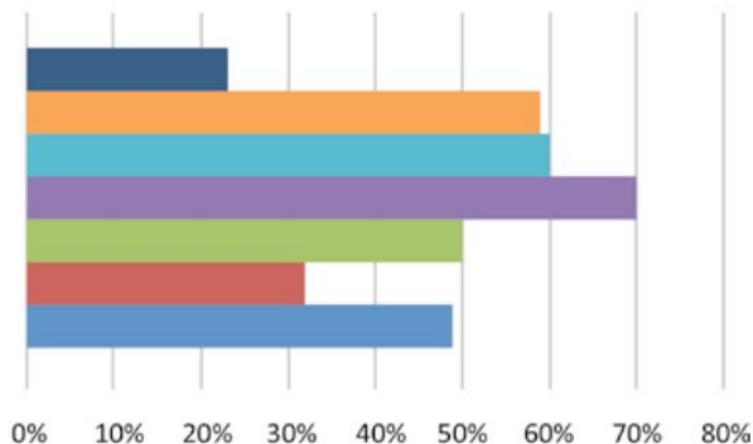
- had the necessary skills to make decisions
- displayed the behaviours needed to motivate employees and to enable participation in the development program.

The OD manager decided to conduct a 360 degree feedback survey of managers across the organisation. Activities were included in the development plan to improve manager involvement and support.

The following chart shows an example of the questions that were included in the survey and the results.

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Management Support

■ My manager supports my participation in the development plan activities.

■ My manager helps to remove barriers and obstacles to performance improvement.

■ My manager has a clear vision on the strategic direction of the organisation.

■ My manager builds trust in our team.

■ My manager knows how to react to issues relating to team morale and satisfaction.

■ My manager creates an environment that motives and inspires the team to achieve excellence.

■ My manager makes decisions based on business needs rather than personal agenda.

Practice task 10

You are the OD manager in an organisation that has been implementing a range of activities for the first phase of the development program. These have been implemented according to the OD plan and in alignment with the organisational strategic plan. Before you begin implementing the Phase 2 OD activities, you would like department managers to assist you with assessing the level of engagement with the OD activities across the organisation. Each department manager has a number of supervisors reporting to them. You want the feedback to provide both qualitative and quantitative data on what's working well and to explore any areas that have been missed or need corrective action.

1. What actions would you take to enlist the support of department managers?

2. What actions would you require department managers to take?

3. What methods could you use to survey staff?

3B | Maintain regular team meetings

Any successful organisation transformation requires contribution, input and participation by the people who perform the work and who can readily identify problems or issues. It is critical that you have a highly effective team of motivated and enthusiastic people implementing the development plan.

As an organisation development manager, you must have commitment to your team. You need them to know you will readily share updates or important new information. They must also be given the opportunity to regularly share any new events, risks or issues and to celebrate success. Information shared at team meetings may also, on occasion, indicate the need for interventions to ensure teams have the skills, behaviours, knowledge and time to conduct effective meetings. It is important to monitor each meeting's inputs and outputs to ensure the flow of information is consistent and efficient, leading to actions or results.

Teams should be involved in planning their meetings and results should be pushed down to the team level so that team members can openly share the causes of issues. It is also important that you conduct regular meetings with key stakeholders and seek regular feedback from teams in the organisation who are affected by the development plan implementation.

Actions to maintain regular meetings

To help maintain regular team meetings, consider the following actions.

Maintaining regular meetings
Ensure that teams have up-to-date status information and are aware of identified issues, risks, positive improvements or outcomes that can be shared.
Ensure you have established clear levels of responsibility and lines of communication. This may include providing a list of agenda items.
Assign team members the task of clearly identifying impacts; for example, what problems might result when implementing a new process.
Provide team members with the opportunity to brainstorm and contribute ideas, improvements and solutions to problems.

Involve team members in evaluating outcomes; for example, identifying causes of problems or frustrations staff are experiencing in implementing new methods and processes.

Provide team members with additional training or upskilling to maximise team participation and to foster innovation and improve problem-solving techniques.

Example: meeting agendas

As leader of the development program, you have called a team meeting to update team members on the status of the program. You also want them to share any concerns, issues or ideas relating to staff engagement.

The following is an outline of the agenda items, including notes that you will use to assist your discussion points.

Agenda

To: Anna Abeyaratne, Jenna Calabria, Jonathan Lim, Dominic North

Date: 30 September 2016

Location: Meeting Room 6

Attendees: Anna Abeyaratne, Jenna Calabria, Jonathan Lim, Dominic North, Yasmin Barakta

Meeting objectives:

- Update status of Phase 1 of the development program
- Identify opportunities for improving staff engagement

Items for discussion

Meeting objective	Notes
Status update	Summarise: • Achievements • Strengths • Weaknesses
Engagement objective	Restate engagement objective in strategy and OD plan.
Concerns/issues	Contribution from each member to share their observations or feedback. Summarise and prioritise.
Sharing of engagement ideas and solutions	List and prioritise. Obtain agreement.
Next actions	Summarise next steps and further meetings.

Practice task 11

The team responsible for implementing the organisation development plan is not meeting their targets and each week they are further behind. You have called a special meeting of the team to discuss the risks and to try and reach agreement on how the targets can be achieved.

Prepare an agenda for the meeting, highlighting the purpose and expected outcomes.

3C Maintain, evaluate and modify development activities as required

The organisation development manager must have control over how the development plan is implemented, to ensure activities and their objectives remain relevant and to ensure outcomes are being met. Evaluating and modify activities involves keeping track of how the activities are being implemented and modifying them as necessary. Efficiently and effectively adjusting and modifying program activities when required prevents them from continuing and prevents them from escalating. This is important in terms of maintaining your program schedule, preventing increased costs and maintaining your benefits.

The benefits of evaluation and its role as an ongoing process are described here.

Benefits of evaluation	An ongoing process
When you evaluate your development program and its activities, you: • support ongoing improvement • prevent problems recurring • provide evidence of benefits or impacts • provide information for further decisions and planning modifications.	Evaluation is an ongoing process. To evaluate effectively, you need to be sure of your measures of success. These success measures are what you, and your sponsor or manager are ultimately accountable for. Measures of success should tell you whether your development plan activities: • have achieved the results you expected • have produced unexpected results • should be reviewed and changed • should continue (or not) • should be measured in other ways.

Apply control measures

Control is a process to monitor and modify the activities in your development program. It also involves reviewing your development plan and making appropriate adjustments. Applying control measures involves focusing on specific, discrete activities or tasks and ensuring that those tasks are completed effectively and efficiently and modified where required.

This differs from evaluating the overall effectiveness of each strategy or objective in the development plan, where overall performance outcomes are measured. Included should be clear measures of success for the proposed activities. Measures of success are the criteria that we believe show the impact of our work. Without criteria for measuring success, we cannot determine whether our goals and objectives have been achieved.

The control steps involve the following actions.

The control process

1

Measuring

Measuring involves using combined methods to increase the validity and reliability of source information and data in order to measure activities to determine their effectiveness. You need to obtain results of performance, such as increases in production efficiency and feedback, such as user views of a new process to increase this efficiency.

2

Comparing

Comparing involves evaluating variations between planned and implemented activities and agreeing on acceptable variation ranges. Consider what outcomes were expected and how this compares with the results or achievements; for example, participation levels in a training event and levels of satisfaction from training or coaching.

You also need to identify deviations that exceed the acceptable variation range and need corrective action.

3

Taking action

You need to identify the reasons for variance, that is, how and why performance results have not been achieved, and then take action to correct the cause. For example, a low level of participation in training may be a result of other pressing priorities in the organisation. This may mean revising standards where required and applying corrective action to correct issues and performance.

Corrective action

You need to determine why standards or performance expectations are not being met. In some circumstances, standards need to be corrected, rather than performance. If standards or expectations have changed, then the activities need to be adjusted to align with this.

You need to determine the cause of performance deviation. Each cause requires a different corrective action. You often need to implement a combination of corrective actions, particularly where changes to standards or objectives occur.

Corrective action can include any or all of the following.

Changing the activity

This is the most frequent requirement for a corrective action. This may require training or improving skills and capabilities, job redesign or rotation, or changes to resource levels or the program schedule.

Reviewing engagement and communication activities

This may require increasing manager involvement and influence, changing communication and knowledge flows, or improved presence and representation at meetings or organisation activities.

Changing the goals or objectives

Are there external or internal environmental factors that are affecting the results? If so, review the objective to align with these new conditions. Relevant stakeholders must be involved in changing the objectives or goals of the plan.

Reviewing structures or systems

If barriers or risks to the implementation are caused by structural, process or system issues, you need to identify what changes can be made.

Ensuring activity dependencies are managed

Management must remember that adjustments in any of the above areas may require adjustments in one or more of the other factors. For example, adjusting the objectives is likely to require different strategies, standards, resources, activities and perhaps organisational structure and systems.

Update the plan

It is important that the development plan is updated to reflect any modifications and the appropriate approvals and sign-offs must be obtained as well.

It is also imperative that modifications to the development plan are communicated to stakeholders, so that these revisions are understood and incorporated across the organisation.

Example: modify organisation development plans

New external regulations emerged that an organisation urgently needed to respond to. This affected the availability of leaders to attend the development program. In addition, the new regulations affected the financial and personnel resources available to the development initiative. The organisation development leader met with stakeholders to determine the level of impact on leaders and the support required, and a SWOT analysis was conducted.

The SWOT analysis determined the following:

- External consultants would be engaged to assist in responding to the new regulatory requirements. This would reduce the stress for leaders trying to get up to speed with the new compliance issues. A cost analysis identified that ultimately this would be less costly and would mitigate compliance risks.

- There was opportunity to incorporate the work involved in the regulatory effects into the leadership program; for example, communication to staff, preparing reports, leading change.

- The development plan was updated to incorporate the changes.

- The activities were reviewed and redeveloped.

Practice task 12

1. Explain three reasons that control is important.

2. Explain the relationship between the planning of activities and the control of activities.

3. Describe the three steps to maintain, evaluate and modify activities.

4. Explain how an effective control system can lead to achieving the organisation's objectives.

3D Ensure senior management supports the development program

Having formal processes to engage senior management in your development program is critical in order to ensure continued support. It is also important that as an organisation development leader, you are aware of the level of support senior management can provide and you are clear on the role each senior manager will play in the implementation.

This includes clearly communicating the decisions that senior managers need to make and at what stage in the implementation each decision is required.

Harness and value senior management support

Senior managers are often close to what is happening in the competitive market and external environment. It is part of their role to be up to date with risks, opportunities and threats in the external environment. The organisation development plan should also ensure senior management are aware of implementation issues or concerns that could arise.

The following information summarises the value and role of senior management in change and innovation.

Approval of changes

Changes in the internal environment, such as a change in leadership, or in the external environment, such as the market, may affect the development program outcomes and so there must be clear lines of communication that enable robust and honest discussions to occur, particularly where changes to the implementation plan may be necessary.

Power and influence

Senior managers also have critical leadership roles across the organisation. They are a driving force for change and innovation, and are accountable for achieving the strategic goals of the organisation. Enlisting the support of senior managers, particularly with respect to their leadership skills, communication, influence and negotiation, will help drive acceptance of and commitment to the development program.

How management can provide support

There are many specific ways that senior management can provide support to their team.

Support includes:

- Ensuring there is adequate funding support
- Ensuring the implementation is appropriately and adequately resourced
- Helping to launch the implementation (if applicable)
- Providing messages of support and encouragement
- Communicating the advantages, benefits and rewards associated with the development program
- Communicating and acknowledging progress and milestones during the implementation
- Providing feedback on internal or external environments or market issues or trends
- Helping to address or influence any barriers, resistance or concerns from other senior managers or middle managers
- Demonstrating new values or behaviours
- Acknowledging cultural or performance improvements e.g. behaviours, attitudes, customer satisfaction levels

Provide role clarity

Current research suggests that development plans that fail often do so as a result of management not being clear on the role they play and the decisions they need to make. Managers do not intuitively know which decisions they are responsible for. They also frequently do not have a consistent understanding of the range of advantages, rewards and benefits for staff when the plan is successfully executed.

Outlining the role of senior management in the development plan is critical. It establishes who is accountable for what and it connects performance outcomes with the benefits, advantages and rewards. As an organisation development leader, you need to recognise potential barriers and complexities that inhibit management's role in supporting strategies and making decisions.

Practice task 13

Senior managers are a driving force for change and have a critical role in ensuring the success of a development program. List four ways that managers can help drive a successful development program. Describe why this kind of support is beneficial.

3E Evaluate organisation development plans for cost-effectiveness and benefits

Stakeholders who are actively engaged in and committed to the development program will be keen to see demonstrable results and outcomes. They will want assurance that the development program has been managed efficiently and effectively, costs have not gone over budget and the organisation and its people have clearly benefited.

When evaluating the effectiveness of organisation development plans, you need to determine whether the critical success factors identified in your development plan have been met, including cost-effectiveness. You also need to understand the benefits that have been achieved in the development plan, so that they can be clearly reported and communicated across the organisation.

The purpose of evaluation

Evaluation is important so that you can demonstrate whether the development objectives been met and to what extent. Furthermore, employees need to see the outcomes and results from activities they have participated in.

Evaluating your development program will provide the following evidence.

Resources have been managed efficiently and effectively

You need evidence that the processes of acquiring, managing and utilising resources have been effective.

The outcomes have an impact on your business or organisation goals

You need evidence that can demonstrate the benefits of the program aligned with the organisation's strategic goals.

Competitive advantage has been achieved

Being able to demonstrate benefits to the organisation's reputation and market position will influence strong commitment from management towards future development programs.

There is noticeable improvement relating to organisational knowledge

You need to show that improvements to organisational knowledge through collaboration and sharing of information are beneficial across the organisation, resulting in increased efficiency.

Evaluation considerations

Your evaluation needs to focus on the following areas.

Resource usage	
	• Were planned cost allocation levels appropriate for the activities?
	• Was there any wastage in terms of resource times or costs?
	• Could savings have been made in any areas?
	• What could have been done differently?
	• Have the benefits outweighed the costs?
	• Would the resources be better used elsewhere? That is, what was the opportunity cost of using these resources for the program?
	• Could greater benefits to the organisation have been achieved if funds and human resources had been focused on other improvement projects?

Schedule	
	• Were the time line and schedule realistic and achievable?
	• Was the time involved in implementing the development program consistent with the plan?
	• What were the reasons for not meeting time lines or milestones?

Methodology	
	• Was the implementation approach flexible and did it allow for opportunities and improvements?
	• Did the strategy exploit unexpected opportunities?
	• How were opportunities and improvements captured and incorporated into the development activities?
	• What improvements or changes were made to the plan?

Results	
	• Are the performance results clearly visible across the organisation?
	• What evidence supports this?
	• Has the implementation resulted in changes to culture, behaviours, attitudes, reputation?
	• Are stakeholders keen to see the same strategies applied in future development plans?

Risk	
	• Were the level or tolerance of risk appropriate?
	• How well were risks managed and mitigated?
	• What additional threats or issues occurred and how were these dealt with? For example, were there impacts relating to such issues as work performance, time commitment required for staff/stakeholder involvement in meetings, input, testing etc; staff satisfaction and retention; organisation culture; and proportion of the organisation's resources that has been consumed in the implementation?

Identify cost-effectiveness

Cost–benefit analysis is a critical tool to evaluate the success of a development program.

The following steps are involved in cost–benefit analysis.

Identify costs

Analyse the costs involved in the implementation. This includes human resources, equipment and cost of materials. It may also include use of office space, rent or utilities. The CFO or finance manager must be involved in this step to maximise efficiencies and ensure accuracy. Remember to include costs incurred in communicating and marketing the implementation.

Identify benefits

The benefits are determined based on their alignment with organisation development objectives. Qualitative and quantitative measures should be used to identify benefits. For your organisation, benefits may be evidenced in improved customer satisfaction levels, improved behaviours, reduced operational costs and/or the effects of these improvements on the organisation's competitive advantage or market reputation. The CFO or finance manager should be consulted to assist with assigning values to these benefits.

Benefits are generally forecasts and their accuracy is subject to changing circumstances.

Compare costs and benefits

The total costs needs to be compared with the predicted benefits. Calculate total costs and total benefits and compare them by dividing the total costs by the benefits. Use your analysis of the risks to determine what strategies can be applied to manage the costs and realise the benefits.

Determine break-even point

The cost–benefit analysis findings are used to calculate how long it will take to repay the costs and achieve the break-even point. This is calculated by dividing the total costs by the total quantified benefits.

Opportunity cost

Opportunity cost refers to the value of an option or opportunity that has been forgone in order to pursue another. Recall earlier that when evaluating the program, consideration should be given to whether resources would have been better utilised in another area. This is the opportunity cost of the resources usage.

To learn more about opportunity cost, watch the Kahn Academy video 'Opportunity cost' available at: http://aspirelr.link/opportunity-cost-video.

Example: evaluate plans for benefits and cost-effectiveness

Creative IT Solutions has been operating for three years and sales have grown rapidly over the past year. Currently, three program developers are employed. The owner is thinking about hiring new staff to meet demands. Increasing staff will also require new equipment and additional floor space.

Completing a cost–benefit analysis will help explore the choices and determine the best solution. At the moment, the owner is hiring external program developers who charge $50 an hour, which amounts to 300 work hours, on average, every month. The owner estimates project work will increase by 100 per cent with the additional staff.

Having more work space also means that each person's output will increase by 10 per cent.

Costs		
Category	**Details**	**Cost in first year**
Property rent	Additional space	$16,660
Hire of two additional program developers	Salary Hiring costs Induction	$100,000 $9,000 $4,000
Office equipment	Furniture, equipment, including hardware and software licences	$15,000
Non-working time	10 working days (2 weeks' revenue)	$15,000
Total		**$159,660**
Benefits		
Benefit		**Benefit within 12 months**
100% increased revenue (approximately)		$72,000
Two IT developer employees $113,000 cf. $50 ph outsourcing x 300 hpm $180,000		80,000
Increased productivity		$58,500
Improved retention of existing customers		$ 5,000
Total		**$215,500**

Practice task 14

A small training company wants to introduce a computerised system to monitor training results and provide feedback to clients. The owner needs to know how long it will take her to achieve the break-even point. Based on the following calculations, determine the point in time when the owner will achieve her break-even point.

Costs				
Category	**Details**	**Quantity**	**Price**	**Cost in first year**
Equipment	PC software @ $2,500 ea	10	$2,500	$25,000
	Printers @ $1,500 ea	3	$1,500	$4,500
	Installation		$1,500	$4,500
	Licences		$16,000	$16,000
	Server		$3,500	$3,500
Training	Data input training	8	$400	$3,200
	Upskilling on software	8	$400	$3,200
	Specialised training	12	$750	$9,000
Other costs	Staff downtime (per hour)	320	$25	$8,000
	Potential loss of earnings			$40,000
Total				**$116,900**
Benefits				
Benefit				**Benefit within 12 months**
Improvements in efficiency				$30,000
Increased participant rates and clients				$45,000
Accuracy of data				$30,000
Management improvement				$15,000
Total				**$120,000**

Summary

1. The methods used to survey, evaluate and test success measures are critical in evaluating the level of support for an organisation development program.

2. Surveys, interviews and questionnaires are good methods for gathering feedback from stakeholders during the implementation of a development plan. However, they need to be carefully designed in terms of what they contain, how they are administered and who the target audience is.

3. Any organisational change needs to allow for regular, meaningful contributions, input and participation by the people affected by the change, as they can readily give feedback on a change implementation and readily identify any issues.

4. Control involves monitoring, evaluating and correcting work performance. In an organisation development program, maintaining control allows us to measure planned activities, compare implemented activities with how they were planned and to take action if necessary where there are significant variations.

5. Corrective actions include modifying standards, objectives, strategies, structures, systems and/or activities. These may result in corresponding modifications to the organisational development plan, which must then be reapproved and signed off by key stakeholders.

6. Organisation development leaders are responsible for engaging senior management in a development program and ensuring their continued support. They need to be clear about the level of support that senior management can provide, the role each senior manager will play in the implementation process and, critically, the decisions they will need to make.

7. Measuring and evaluating the cost-effectiveness of an organisation development program, as well as the outcomes and benefits to the organisation and its employees, are important parts of determining whether the critical success factors identified in the development plan have been met.

Learning checkpoint 3
Maintain an organisation development program

This learning checkpoint allows you to review your skills and knowledge in maintaining an organisation development plan.

Part A

1. Why is senior management support crucial to positive outcomes for a development plan?

2. What are the benefits of having regular team meetings during the OD process?

3. What is the formula to use when calculating costs and benefits?

4. Why should you consider opportunity cost in your evaluation of the program?

Part B

Read the case study, then answer the question that follows.

Case study

The Y Fit Fitness Centre has conducted a three-day leadership program for its ten fitness centre managers. The focus of the training was:

- to create alignment with the new strategy objective: to grow personal fitness training by 100 per cent in the next 12 months
- to build skills in leading change and coaching for change.

The satisfaction surveys handed out at the end of the three-day program indicated increased levels of skills, knowledge and attitudes. It is now six weeks since the leadership program. As the OD manager, you want to follow up to determine whether managers have applied these new skills and whether there have been any real outcomes (i.e. increased personal fitness training).

Prepare an evaluation process to identify what direct and indirect effects this leadership program has had on the new strategy objective, ensuring you identify what methods you will use to determine the costs and the benefits.