



# Functional Area #7: Organizational Effectiveness and Development

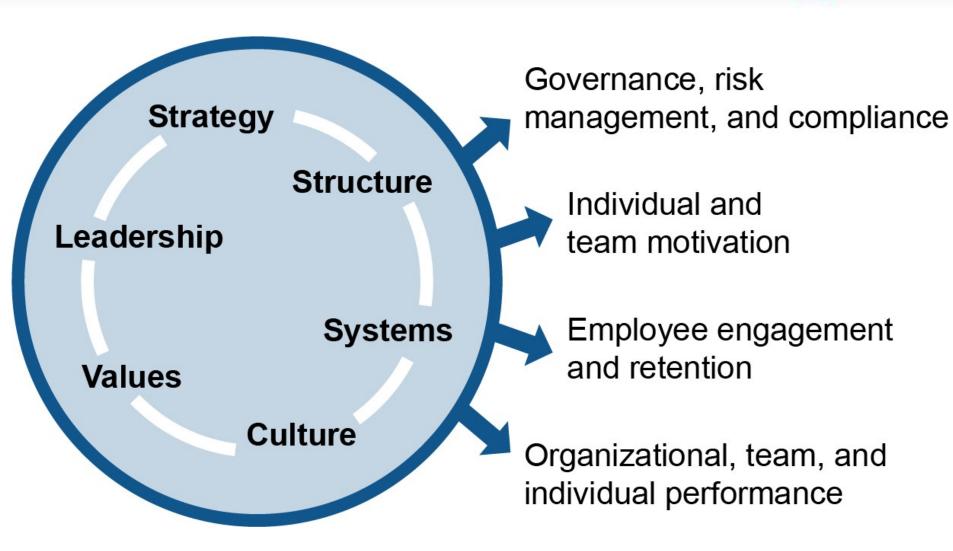
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### **Organizational Model**





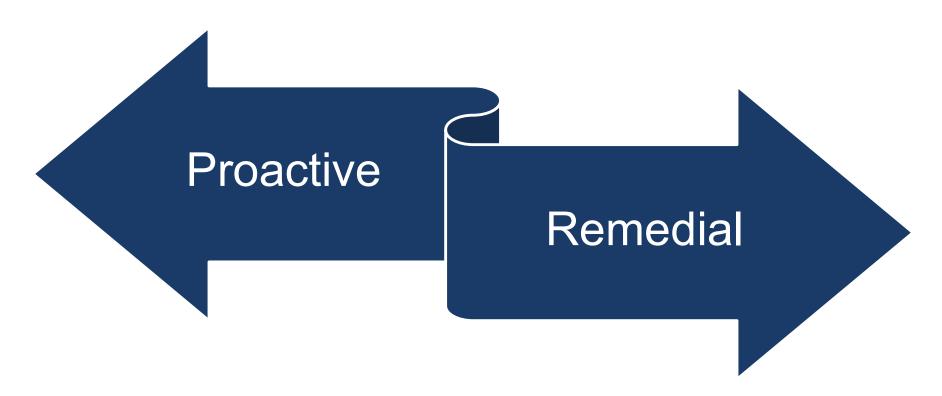


### **OED Interventions**



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Interventions can be seen as stepping in to interrupt the status quo in order to examine a situation more closely and make changes that improve outcomes.





## Characteristics of Effective Interventions



- ✓ Strategically aligned
- ✓ Collaborative
- Supported by top management
- Producing sustainable results
- ✓ Supporting continuous improvement
- ✓ Using common tools

- Using common language
- Explicit assumptions
- ✓ Fact-based
- Oriented toward systems and processes
- ✓ Flexibility
- ✓ Multiple perspectives



### Why Interventions Fail



- Lack of senior management support and buy-in
- Poor planning
- "Analysis paralysis"
- Reluctance to take reasonable risks

- Failure to communicate need
- Too much change for available resources, time, or change management capability



# Redesigning the Organization



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# Organizational design optimizes elements that support an organization's functioning, including:

- The organization's mission and vision and the strategies it is pursuing to achieve its goals.
- The way decisions are made.
- The way information is communicated.

- The processes used to perform work and the degree to which and how those processes connect parts of the organization's structure.
- The systems used to align the organization's needs with the resources required to fill those needs.



# Structural Characteristics in Organizational Design



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Work specialization

Decisionmaking authority

Layers of hierarchy

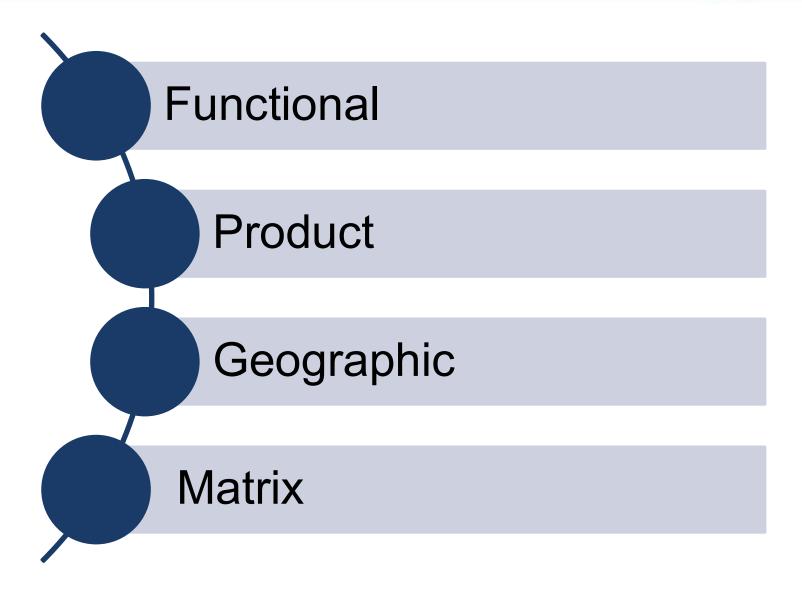
Formalization

Mechanistic and organic organizations



### **Organizational Structures**







### Assigning Roles in New Structures



- The RACI matrix describes roles as responsible (R), accountable (A), consult (C), and inform (I).
- RACI matrices help an organization establish clarity around critical activities by assigning responsibility and describing communication needs.

Activity	John	Mary	Team leaders	George
Documenting changes	Responsible	Accountable	Consulting	Informed

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### Talent Development Interventions



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### Identify talent needs.

- Clarify performance standards.
- Identify competency deficiencies.

# Develop existing staff.

- Coordinate selection processes.
- Develop comprehensive workforce development initiatives.

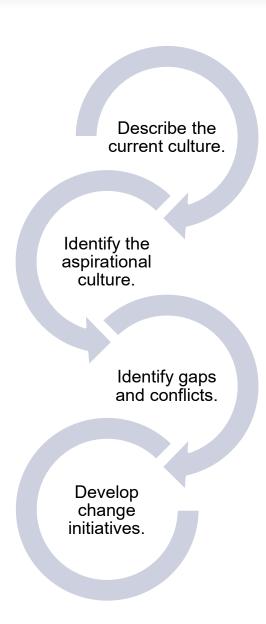
# Build talent pool.

- Communicate performance expectations.
- Develop coaching or mentoring programs and internal social networks.



# Organizational Culture Intervention







# Team or Unit Interventions



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# Goal may be to improve team processes and interactions through:

- ✓ Developing a team identity.
- ✓ Correcting dysfunctional behaviors.
- ✓ Redefining processes to remove conflicts and improve coordination.
- ✓ Building trust and helping diverse teams overcome cultural and geographic distances.



### **Team Formation**



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#### Based on Bruce Tuckman

#### **Forming**

Low levels of commitment and communication

#### Leader's role:

Provide vision, describe expectations, encourage perseverance.

#### **Storming**

High levels of conflict and dissent

#### Leader's role:

Enforce ground rules, increase levels of engagement, provide coaching.

#### **Norming**

Growing sense of common direction, defined responsibilities and processes

#### Leader's role:

Facilitate communication and group decision making.

#### **Performing**

High levels of productivity and self-direction

#### Leader's role:

Monitor, evaluate, and foster improvement; motivate by celebrating accomplishments.



### **Group Dynamics**



**Group Roles** 

- Task roles
- Social roles
- Dysfunctional roles

Based on Kenneth Benne and Paul Sheats



### **Team Building**



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### **Team-Building Activities**



- Goals and priorities.
- Roles and responsibilities.
- Processes.
- Interpersonal relationships.



### **Discussion**



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A small, family-run organization has always pursued a differentiation strategy that emphasizes quality and customer service.

The CEO decides to retire and sell the business to a mid-sized competitor who has always employed a cost leadership strategy.

As part of the sale agreement, the CEO insists that all current employees be retained.

Within four months of the acquisition, the VP of HR sees that almost 40% of the acquired employees have left the organization, taking critical knowledge with them. If this continues, it will affect customer service.



### **Discussion**



- What type of OED intervention should the VP of HR consider first?
- What other activities should the VP of HR consider?
- What competencies can help the VP of HR to address this issue?