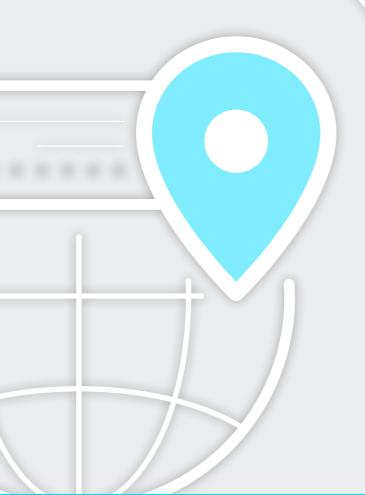
CRF COMMUNITY BRIEFING PAPER 1



Competing for Influence:

Challenges facing OD in the fight for relevance

March 2021



















To investigate the current challenges facing OD we must consider the situation from two sides: that of the decision maker and that of the OD practitioner. OD is but one of many solutions available to executives in addressing the challenges their organisations face, and it must compete for influence.

However, as outlined in the limitations below, often OD is not perceived as an effective and strategic solution. To overcome this, it is crucial to approach the problem with the mindset of improving OD's effectiveness in supporting businesses, not just improving OD for OD's sake.

This briefing outlines limitations from both the decision maker and practitioner perspective, and offers some early thoughts on what OD could do to win the fight for relevance.

DECISION MAKER LIMITATIONS

- Turn to familiar or favourite solutions in the moment.

 Decision makers are looking for quick and effective solutions. If they aren't already familiar with OD they are unlikely to take time to investigate and trust it as a possible solution in the moment. As a result, OD remains an unfamiliar concept.
- Short-term focused. Executives may not be thinking systemically about changing their systems to solve problems. If they have a short-term focus, OD may not be a consideration for them. They just want to put out the fire.
- View OD as slow, imprecise and risky compared to other methods. If a decision maker hasn't seen OD practiced in an effective way, they may view it as antithetical to what they're trying to achieve. They may not see OD as business relevant, but instead an interruption and 'nice to have'.
- Solutions dictated by the board or other stakeholders.

 Decision makers may not have the choice to use an OD person or solution.
- Fear of exposure or criticism. In a situation where the decision maker is reporting into someone in a larger organisation, they are likely to opt for the security of a well-known consultancy in addressing the issue. By tasking a well-known brand with the solution decision makers feel protected. Due to a lack of familiarity and a non-strategic perception of OD there is increased risk associated with employing it to solve important issues.



- View OD as allied with HR, incurring negative connotations. Executives' association of OD and HR often means their negative and non-strategic perceptions of HR are cast onto OD as well.
- Focus on human processes at the expense of business processes. OD practitioners should recognise the possible limitations they may bring into a conversation. Focusing on the importance of human processes risks not communicating their connection to the business process. Decision makers are looking for integrated solutions: start from their perspective and work backwards towards the human processes.
- Relying on favourite methods regardless of fit.

 By reverting to favoured methods, practitioners risk developing an OD solution that is disconnected from the organisation's objectives. As a result, OD becomes a separate discipline rather than integrated in the business process and executives can view it as an interruption.
- **Difficulty scaling to take on large complex projects.**Many OD practitioners are individuals working with large units in an organisation. They don't have the resources or manpower of the larger consultancies to work at scale.
- Lack of business experience. Often, OD practitioners have little business background or training and are uncomfortable speaking the business language. Instead, they use the language of OD which can be confusing to decision makers
- Lack of confidence. Due to a lack of business experience
 OD practitioners can lack the confidence to confront authority figures or decision makers.
- Shortage of solutions for emerging problems. OD consultants may not be up to speed with cutting edge issues, and the increasing pace of digital transformation. As a result, companies may overlook OD in favour of experts, or the credibility of a recognised brand, in that area. Industry specific challenges may also have progressed beyond OD's understanding of the vernacular.



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WHAT OD COULD DO TO WIN

- Develop a position of influence. Where progress has been made in the OD field it has depended on top level sponsorship, with leaders taking the issue seriously and making investments in expertise and training.
- Increase executive awareness of OD so that its
 perceived as a crucial business tool and not an
 interruption. This can be achieved by expanding
 MBA syllabi to cover OD more comprehensively, or
 through company-sponsored leadership development
 programmes with OD practitioners teaching alongside
 executives.
- Speak the language of business. OD is it at risk of being seen as too 'touchy-feely' and practitioners need to speak the language of their business peers. In presenting OD interventions, emphasise the link to the business problem first.
- Every intervention should be systemic and sociotechnical in nature and may present a more complex longer-term solution than at first sight seems necessary.
- Uphold practitioner education and expertise. OD's credibility will quickly be undermined without practitioner education and development. CRF's <u>OD Manifesto</u> outlines key characteristics of effectiveness, including systemic thinking; personal credibility; being political/business savvy; and fostering breadth of view. It is also key to retain OD's foundation in applied psychology.
- Rigorous analysis followed up with appropriate feedback. OD solutions should be rooted in rigorous analysis, and result in costed proposals and clear project plans with milestones and expected outcomes. It is crucial to evaluate against these outcomes for future learnings, and to assure credit for ODs successes.
- Position OD to tackle contemporary challenges.

 Communicate OD's ability to take an organisation-wide approach rather than offering piecemeal solutions. This capability meets issues of complexity, agility or digital change.
- Develop OD solutions to address cutting edge business challenges. This may involve collaboration with experts in digital or AI, for example. There is a

- great opportunity for OD to innovate and provide much needed solutions around digital transformation and adoption of technology.
- Leverage the voice of "celebrity" clients, especially those who have achieved board status, to influence executives' opinions of OD. Recognise that Executives' decision making is mostly influenced by those around them or in their network. Build a network of OD savvy Executives and set up conversations/forums to represent the field and explore why it has worked in their organisations. The network can be drawn upon when explaining to executive peers why OD is relevant.
- Raise OD's visibility through greater social media presence, press coverage and public events to connect audiences and thought leaders.
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- Collaborate more closely with business leaders in conducting diagnoses and formulating solutions. Such a partnership would ensure OD is providing solutions that make sense to the Executive.



Wednesday 17 March at 12.00 GMT

