



Developing organisations: evolution & revolution

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Developing organisations: evolution and revolution

Guest Editors: Valerie Garrow and Sharon Varney



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Editorial: Developing organisations; evolution & revolution

Valerie Garrow and Sharon Varney



“It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us...”



Charles Dickens

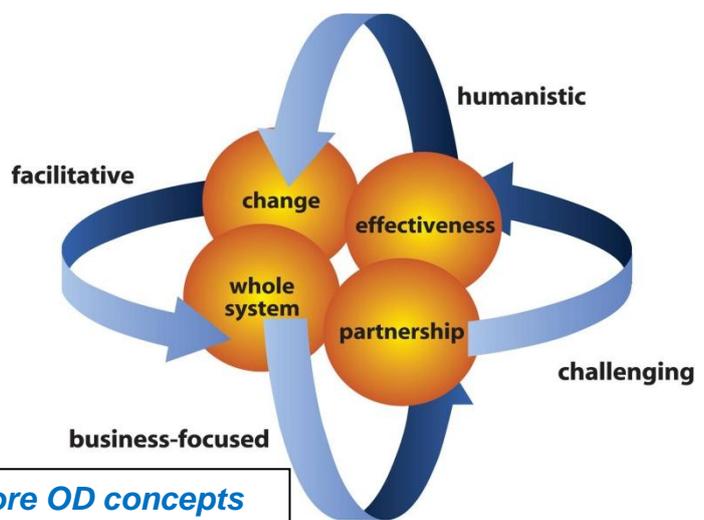
Introduction

Organisation Development (OD) has a rich heritage and we believe it has a promising future. For those of us who work in OD and change it remains relevant, refreshing and always exciting. Why does OD remain so pertinent today? The title of this edition provides a clue. While much is changing around us and, arguably, the complexity of our world is becoming more apparent, human nature remains essentially the same, albeit we have different tools with which to respond to our environment.

When we took a good look at OD in the UK a couple of years ago (Garrow, Varney and Lloyd, 2009), we found a diversity of practice and a theoretical background strongly rooted in humanistic values. From interviews with practitioners and Chief Executives and a sweep of the OD jobs advertised, we described the current state of practice in the model below. Our findings confirmed that change and enhancing effective-

ness remain at the heart of OD work, and that working across organisations in a holistic manner and building partnerships, particularly with those at the top of the organisational hierarchy, are central to OD success.

It also highlighted the delicate balance that OD practitioners tread in being both humanistic and business-focused, both facilitative and challenging.



Source: Garrow, V, Varney, S and Lloyd, C (2009)

We went on to look at how practitioners develop the skills to do this kind of work in the absence of a real OD career path and asked what they believe will be important for the future (Garrow & Varney, 2011). Some of the key qualities and skills they feel will be required in the future are: working in and through networks; working with uncertainty; understanding complexity; working virtually; dealing with conflict; and working with a much bigger picture. Many of these themes are echoed by our authors in this edition.

In this special issue of e-O&P we wanted to continue our enquiry into how OD itself is developing by bringing together a range of articles that explore and challenge the idea of developing organisations. Our invitation to contributors posed a number of questions, including:

- What does it mean to develop organisations?
- What are the challenges of developing organisations?
- How can OD extend its reach to whole systems?
- What have practitioners learnt from the experience of developing organisations that might inform and enrich OD practice?

We are, therefore, delighted to be able to bring you articles from thoughtful practitioners and practical academics who all bring their wealth of experience to bear in addressing these questions.

Contributors to this special issue on OD explore a number of important organisational challenges. These include the difficulties of working across internal interfaces (*Mandy Bromley*); supporting the necessarily 'slow' process of organisational change in a merger (*Alison Nolan*); understanding conflict and what we can do about it in organisations (*John Burgoyne*); and identifying those board 'blindspots' which can hamper effective boardroom conversations (*Alison Carter*). They also highlight a number of opportunities for OD, such as the contribution of complexity science to OD practice (*Christine Lloyd*); developing organisations that focus on personal value (*Sandra Dodgson, Nic Brocklebank, Deborah Wharton and Isabelle Beaumont*); how we can better understand and 'get a grip' on organisational energy (*Bernd Vogel and Heike Bruch*); and exploring new ways of thinking about 'developing' organisations which reflect a powerful ethic of mutuality (*Linda Holbeche*).

Having offered a brief taster of what is to come, we now make our own contribution to the debate about developing organisations in a complex world by discussing some key themes arising from the articles that we have selected for this edition: 'la condition humaine'; science, methods and tools; engagement and energy; the pace of change; and boundaries, interfaces and perspectives. We then offer a more detailed overview of this edition which includes a short summary of each article.

Our key themes

'La Condition Humaine' (Man's fate)

We began our editorial with Charles Dickens' opening paragraph to *A Tale of Two Cities*; a 19th century view of the 18th century French revolution. Yet how contemporary it all sounds. Our first theme also comes from a literary portrayal of revolution. Malraux's novel 'La Condition Humaine', about the failed communist insurrection in Shanghai in 1927, describes the existential quandaries

facing a diverse group of people associated with the revolution as 'man's fate'. Almost a hundred years and many wars and revolutions later we find ourselves living through yet another period of sometimes violent upheaval and change – the Arab spring, the global economic crisis, riots, terrorism and natural disasters. OD is profoundly concerned with what moves people to act together, why they behave as they do and how they make sense of the world around them.

The rise of OD was a post-war response to the 'alienation' of the human spirit in the workplace under so-called 'scientific' management practices. As we head into a period of industrial disputes many people are clearly feeling that same sense of alienation today. Organisations still do not provide an environment where people can flourish and develop and where, as Sandra Dodgson and colleagues advocate, people might bring their 'whole selves to work'.

In wider society we have also seen the best and worst of times: on the one hand riots in the streets of our cities, on the other neighbours and strangers volunteering to help their communities; terrorist attacks and acts of great heroism; devastation by the forces of nature and individuals and disparate groups working together to rebuild lives. Aspects of modern revolution have encouraged us to think more about 'organising' than 'organisations' and how people use new technology and social networks to self-organise to bring about change. We are reminded of the power of collaboration and framing messages that resonate with people's values and experience.

We have heard a lot about corporate scandal too and institutional failings at the highest level. Boards have come under increasing pressure to account for corporate and institutional wrongdoing and, with a spotlight on top level pay, there is currently a deep sense of unfairness in the workplace. Our authors are writing against a backdrop of the banking crisis, the BP Gulf of Mexico oil spill, the Staffordshire hospital scandal, News of the World phone hacking, MPs' expenses and the list goes on. All of these engender a deep sense of mistrust in the police, politicians, the media, hospitals and the institutions that have traditionally given us role models and a sense of stability. The press tend to blame organisational culture for such failings but is it an issue of integrity or simply of collective blindness?

Magritte's picture 'La Condition Humaine' shows a painting on an easel inside a room which obscures the view from the window. It reminds us that we often become trapped inside our own social construction of organisations, unable to see what is really happening in the world.

Alison Carter suggests that boards similarly have 'blind spots' and are simply unaware of their focus of attention and Linda, Sandra and Alison Carter each highlight that what people pay attention to is of prime importance in the way organisations develop. While the picture is comforting and may even represent the view from the window as it was in the past, it nevertheless conceals the current reality.



La Condition Humaine - Magritte

Science, methods and tools

Our next theme is about the tools of the trade. Traditional Organisation Development has been rooted in the behavioural sciences. One of the ways the field refreshes itself and continues to remain relevant is by drawing on new sciences, developing fresh tools and approaches, and introducing different methods and ways of sense-making. Christine Lloyd, for example, draws on complexity: network theory; biological science; physics; thermodynamics; and technological innovation, for insights into her own OD practice.

OD has always been a data driven discipline and data collection and analysis are core elements in the OD cycle. In our post-modern world, however, we are constantly wrestling with what constitutes good data, issues of subjectivity and objectivity, multiple perspectives, and the influence of politics and power. John Burgoyne reminds us that we have a full spectrum of sense-making perspectives from the micro, intra-personal, psychological to cultural, sociological and anthropological. These not only help to orient ourselves to what is going on, often radically changing our perceptions, but to choose how to act in different situations.

Dialogue is a key tool for several of our authors. It has come to the fore as we increasingly recognise organisations as socially constructed entities. Linda Holbeche reminds us of the power of metaphor in giving meaning to organisational change and suggests that reality can be modified by injecting alternative conversations, stories and narratives into the system. Alison Nolan and Mandy Bromley both underline the power of dialogue in slowing things down and taking the time and space to surface assumptions, pause for thought and, as Alison puts it, amplify key conversations. She describes the skills required to do this as similar to those of a facilitator: listening; suspending judgement; reflecting back; challenging assumptions and intentional openness.

This focus on dialogue underlines the importance of the Institute for Employment Studies' new methodology of conversation-style analysis, discussed in Alison Carter's article, which essentially takes the easel and picture away from the boardroom window to enable directors to see for themselves how they are socially constructing their organisation's reality by paying more attention to financial issues than patient care.

Sandra Dodgson and colleagues employ dialogue in a process of 'Inquiry' which leads them to explore and start to socially construct a potential future of work. Linda Holbeche reminds us that 'everything we do is an intervention'. Whether gathering data in a formal way through recording board meetings or simply having a conversation, change begins as people start to collectively focus their attention. When the dialogue starts to resonate with people's own values, they begin to engage and mobilise (Garrow, 2011).

Engagement and energy

Unsurprisingly, a strong theme of this edition is around engagement. In a period of change the psychological contract has once again started to become important. The perception of 'what we give and what we get' during a recession when organisations are seeming to demand 'more for less' can start to throw the employment relationship out of kilter.

Sandra Dodgson's and colleagues' inquiry into the future of work suggests that the VISA model offers a conceptual framework for how individuals might trade their 'personal value' differently, enabling them to bring their whole selves to work and thereby fostering greater creativity and innovation.

Linda Holbeche calls for a new approach to organisation design which fosters greater self-organisation.

Christine Lloyd pursues this theme suggesting that a clear intent and a strong alignment of values and shared vision reduces the need for control, redundant communication and performance management.

Bernd Vogel and Christine Lloyd both take us into the arena of organisational energy. Christine Lloyd draws on thermodynamics for insights into energy distribution and flow in organisations. She proposes that organisations already experiencing unpredictability are more likely to stabilise more quickly than those that are used to a stable, linear state. With this in mind she suggests that creating ongoing disturbance rather than waiting for the burning platform may be beneficial to build agility and adaptability.

Bernd's quest, with his co-author Heike Bruch, is for 'collective' energy, which he defines as the extent to which an organisation 'has mobilised its emotional, cognitive, and behavioural potential to pursue its goals'. This happens when people experience high levels of 'purposeful passion' leading to high performance and suggests that leaders need to understand the different states of energy that exist in organisations.

Passion and energy bring us back to our revolutionary theme and our own work on social movement (Garrow, 2011) which warns of the pitfalls of stirring the human spirit. Revolutions are notoriously hard to control after the first flush of success and a lot of hard work, leadership and organisation is required to prevent disillusionment, cynicism, factions, power struggles and chaos. While much can be achieved through successful mobilisation, our next theme suggests that time for reflection is vital; a time for evolution as well as revolution.

The pace of change – slowing down to create space for learning

The increasing pace of change in the global business environment, such as that highlighted by McKinsey¹, has something of a 'taken for granted' quality nowadays. Speed is frequently considered an asset when it comes to organisational change; with organisations being urged to become more nimble, adaptable and to respond rapidly to changing conditions – or fail – and OD practitioners often being encouraged to support this.

Yet a number of authors provide counterintuitive insights about the need to slow down. Alison Nolan highlights that sometimes it is important to be slow and work *with* the grain of an organisation, when seeking to support organisational change; in this case a global merger between two professional services firms. Mandy Bromley points out that there is a time-lag in sensemaking, particularly when teams work across internal interfaces, which can result in tension and inertia. Like Alison, she has found that taking time for dialogue has reaped dividends. On a different note, Bernd Vogel and Heike Bruch discuss the need to 'escape the acceleration trap' in highly energetic organisations, warning that employees can become overwhelmed and burnt out. They call upon OD practitioners to work with managers to identify a more sustainable organisational rhythm which combines high-energy phases with regeneration phases.

We return to our earlier observation that, while much is changing around us, human nature is essentially the same. And, while organisations might need to respond quickly, people in them value time and space for learning. We agree with Alison Nolan's comment that, at times, fast change needs to be slow.

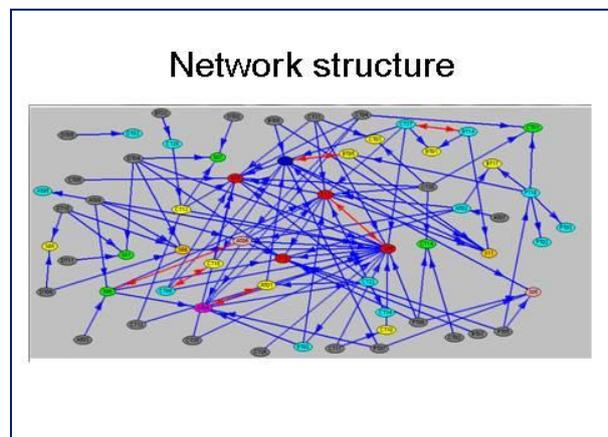
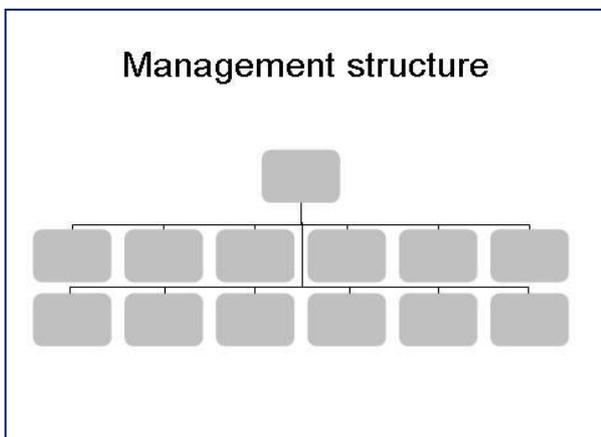
Boundaries, interfaces and perspectives

An interesting theme arising from the articles here concerns boundaries, interfaces and perspectives. Christine Lloyd proposes that organisational boundaries are becoming more fluid, porous and indefinable. Paradoxically, however, internal interfaces are still not easy to navigate. Both Mandy Bromley and Alison Nolan offer insights into the challenges of working across internal interfaces where parties may have differing and competing perspectives. Linda Holbeche highlights the socially constructed nature of perspective and proposes that 'new' organisational effectiveness adopts a more pluralist view. John Burgoyne's article graphically illustrates how the boundaries we choose to apply may shape our perspective and choice of intervention.

These insights suggest a number of implications for OD.

First, thinking of OD as something that takes place *inside* organisations, while the broader business and social context sits outside - conveniently labelled 'the environment' – is not helpful. We propose that organisational effectiveness is less about the ability to **adapt to** a fast changing world, and is more about **co-evolving with** a wider context (Mitleton-Kelly, 2003).

Second, we agree with Christine Lloyd that organisations may usefully be framed as distributed networks. Consider the two pictures below – alternative views of the same organisation – taken from our own research (Varney, 2011). The one on the left shows the formal management structure. Next to it is a network diagram depicting how people connect when they are seeking to influence change. Some of those in authority appear on the right as densely connected red 'nodes', but not all. Others who play a vital role in connecting the network are outside the formal management structure. It also highlights people who appear disconnected across internal interfaces (top left in the network). We propose that taking a network view may be a source of new insights.



The quotation at the start of this editorial drew attention to the coexistence of conflicting perspectives. Our final proposal is that, in a complex world, appreciating multiple and conflicting perspectives may also offer insights for developing organisations.

Overview of this issue

There are three parts to this issue. Part 1 explores the complexity of OD practice; Part 2 highlights some key issues for OD attention; and Part 3 considers how OD might evolve in the future.

Part 1: OD practice

Working at the interface – pausing to talk

Mandy Bromley highlights that many organisation designs rely on effective working across internal interfaces and acknowledges how difficult that can be in practice. Her article discusses how and why teams so often get 'stuck' when trying to work across internal interfaces. She proposes that pausing to talk can help, and that techniques from sensemaking and dialogue can assist teams in getting 'unstuck'.

Slow change in a dynamic world

The importance of dialogue is picked up by **Alison Nolan** as she reflects on a transatlantic merger in a global professional services firm during a period of economic volatility. Alison's article challenges received wisdom that the pace of organisational change needs to match the pace of environmental change. She observes that sometimes change needs to be slow, with learning and OD practitioners seeking to work *with* the grain of the organisation rather than against it.

Organisation Development in a complex world

Christine Lloyd questions the basic premise that 'organisations' can be 'developed' in a dynamic and unpredictable world. Instead she proposes that OD is more about creating conditions for organising, which she illustrates by sharing her reflections and insights from attending a recent complexity programme at the Santa Fé Institute. Her article suggests some implications for OD practice which create possibilities for transformation and what Christine calls 'opportunistic OD'.

Part 2: OD focus

Board blindspots: a method for exposing what boards can't see

Alison Carter starts at the top of the organisation with governance. If indeed 'the buck stops here' it is a particularly good place to start. She describes a new method from the Institute for Employment Studies of conversation-style analysis to dig deeper into the ways boards reach decisions and finds that 'blind spots' can and do occur. Her NHS case study illustrates the powerful impact the feedback from this type of analysis had on one board, which discovered they were not talking sufficiently about clinical and patient issues, focusing more heavily on commissioning, strategy and finance.

Working with organisational energy as a framework for organisation development

Bernd Vogel and Heike Bruch introduce the notion of organisational energy – the activated human potential of an organisation in emotional, cognitive and behavioural terms. Their article considers the nature of organisational energy and how that collective energy manifests in organisations; by way of comfortable energy, corrosive energy, productive energy and resigned inertia. Since their research has highlighted that organisational energy is both measurable and malleable, Bernd and Heike propose that it can provide a frame for OD work.

Conflict: what do we make of it and what do we do about it?

John Burgoyne encourages us to use a full range of perspectives to make sense of conflict situations and to choose what to do about them. He illustrates this amusingly (not for those who are allergic to clip art) through an example of conflict starting with the image of two people seemingly about to shoot each other. He suggests our tendency is to use psychological rather than sociological perspectives first. He completes the journey from micro to macro with an example from his own consulting practice.

Part 3: OD future

'Future of Work' enquiry: Developing organisations which focus on personal value – perspectives and questions raised by practitioners

Sandra Dodgson, Nic Brocklebank, Deborah Wharton and Isabelle Beaumont lead an enquiry into the future of work, which proposes that workplaces could stimulate creativity and innovation by developing an environment in which people can be their 'extraordinary selves'. They investigate new employer-employee relationships based on the 'Visa' model of trading 'personal value' and discover the importance of values, trust, integrity and empowerment.

Can organisations be developed?

We finish with a thought-provoking article from **Linda Holbeche** who tackles one of the key questions for this issue of O&P, 'can organisations be developed?' She makes the case for a new definition of 'organisational effectiveness' (OE), which requires more democratic leadership and high involvement approaches to change in order to build capability for sustainable organisational renewal.

Looking forward

We've enjoyed working to bring you this special issue of e-O&P on developing organisations and we hope that you will enjoy reading it.

As we finish, we look forward to continuing our own research on developing organisations. Drawing, once again, on the fish or bird metaphor; the inspiration for our next research is shoals and flocks. This third part of our research on contemporary OD practice will explore self-organisation in organisation design. It builds on some of the ideas highlighted in this editorial such as networks, complexity and social movement, to consider how to create resilient and flexible organisation designs which evolve. So, if you have stories about interesting or innovative practices in organisation design, we'd love to hear from you.

Valerie Garrow and Sharon Varney

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¹ A 2006 McKinsey Global Survey on top business trends, highlighted that executives report an accelerating pace of change in an increasingly competitive business environment, driven by knowledge and information trends and the forces of globalisation.