

## OD – BACK IN BUSINESS

**W**here were we before we were rudely interrupted by the GFC? ... ah yes, that's right ... worrying about retention, productivity and creating a positive workplace culture!

It is abundantly clear that in 2010 we are going back to this agenda with the marketplace and the business revisiting organisational culture and performance improvement as major issues. This is a far cry from some of the priorities in 2009.

In this month's Instep, we look at the already strong focus back on OD in the market and some of the challenges that this specialist area of HR has in being recognised by the market and acknowledged for the complexity of its work.

### Market perception of OD

If many in the business community don't know what work HR generalists do to improve business performance, what chance do they have of understanding the OD space?

At its most simplistic, there is an element of the business community that views the OD space as simple training programs. In its 21 January 2010 edition, the *BRW* – in dealing with organisation culture – focused its attention on teambuilding activities. It warned its readers of the perils of teambuilding, predicting an increase in the use of these activities as organisations had been through a period of hardship and difficulty.

The article then took the reader through a confusing meander from teambuilding to other areas such as EAPs (Employee Assistance Programs) and organisation culture surveys. How these are linked is anyone's guess – no wonder the business community is confused about the OD space!

To be fair, the article did eventually offer a ray of light at the very end. It mentioned that one of the interviewed consultants, "does not offer teambuilding, but does help with organisational change and making executives more effective". There was no mention of how they might do that.

### HR's perception of OD

Even within the HR profession, OD is seen differently from one organisation to the next. Often, there doesn't appear to be a good appreciation of the OD space and the work that an OD expert

specialist can achieve. Most of the other specialist areas of HR don't seem to suffer from this sort of identity crisis.

For instance, in Remuneration it's more black and white. You have either run the Rem review, managed STI/LTI programs or designed executive packages for a large public company or you haven't – end of story. The same applies to areas such as OH&S, IR and HR technology.

So why the confusion? The reality is that OD is complex and there are many shades of grey.

### OD – an area of great complexity

To design and execute the right OD/Change initiative in a commercial organisation that is in competitive markets with constantly shifting priorities is hard. Most organisations aren't static case studies.

Areas such as Change Management, Leadership Development, Succession Planning, Organisation Analysis and Design, and Organisational Engagement are easy to list on a CV, and most HR generalists would probably say that they are also across these areas. The reality is far from the case.

To have the knowledge and the tools to deploy the right strategy, at the right time, in the right way to get maximum traction, requires an OD specialist. Just the same way that designing an executive compensation system to link with shareholder value creation requires a Rem specialist.

For instance, would the average generalist have the experience and knowledge to design an organisational-wide competency framework and integrate this with the performance and talent management, and succession planning programs? Or to conduct a review and assessment of the calibre and effectiveness of the company-wide sales force, management and processes and make key recommendations that are adopted as part of the overall business plan?

An OD expert is realistically required to deliver these types of projects and others that are wide in scope and far reaching in terms of their impact on organisational performance.

### The future for OD in 2010

In a survey conducted in December 2009 of almost 2,000 HR professionals, only 8.5% identified themselves as working in the OD space. With this as a backdrop and a strengthening of market conditions, OD professionals will be in demand.

The question still remains, if the work and the results that can be achieved by employing expert OD professionals aren't well understood by the business community and some in HR, how many mis-adventures will be experienced by badly conceived and managed OD type projects? At their worst, the unintended consequences can actually be organisationally negative and even destructive. Let's hope that there are enough good OD professionals to go around!

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