



Organization Development

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Introduction to Organization Development

Organization Development (OD) is a process in which organizations establish goals and transfer them into the jobs that people do every day. People have what they need to get the job done and they receive rewards for achievement and initiative.

When you form a new organization, OD helps build a strong management foundation. It includes choosing a mission, making plans, putting people to work and achieving goals.

Existing organizations often face new challenges. OD can help an organization respond effectively. OD helps you take a fresh look and strengthen weak areas.

A. The Importance of Organization Development

Organization development establishes the basic framework that any organization needs to manage well and achieve its goals. It helps build a workplace where people take actions for good reasons and make the best use of available resources.

B. Organization Development Chapters in this Guidebook

Foundation

- Framework
- Leadership and Commitment
- Mission and Overall Objectives
- Strategic Analysis and Planning

Structure

- Functions
- Organization Structure
- Job Design
- Numbers of Employees
- Compensation
- Implementing Organization Change

Management

- Planning Ahead
- Delegation
- Management by Results
- Rewards for Achievement
- Performance Audits

C. How the “Impact Guidebook” can help you develop your Organization

Depending on your situation, you may benefit from action in selected areas. Maybe you know that you need more effective job descriptions. Maybe your compensation system could be more fair. Or – you may find benefit from taking every step of the OD process. Whatever you decide to do, keep the following in mind:

Organization development brings change in approaches and habits. People need time to absorb new ideas, so results take time. Have faith in the outcome and take a determined “one step at a time” approach. The day will come when you realize how much better your organization is working. Great leaders in the water sector know that success comes from patience and persistence.

Change means venturing into the unknown. Fear of change can be a roadblock and it can cause anxiety for employees. Recognize the effects of fear and address them openly.

The best Organization Development overcomes roadblocks by striving for “win-win” approaches - not solutions where someone wins and another loses.

Despite your best efforts, some people will still be unhappy. As Abraham Lincoln said – “You can please some of the people some of the time, but you cannot please all of the people all of the time.” As people see the benefits of OD, they will be happier. Celebrate successes – even if they are small.

D. Chapter Summaries

Framework: Organizations bring people together to achieve a common purpose.

Usually, an agreement creates the organization, defines its purpose and sets basic ground rules. The agreement may be an informal gentlemen's agreement. Or, it may be a more formal contract, ordinance or law.

The type of agreement depends on the goals of the organization. It must conform to the country's legal and regulatory framework.

Leadership and Commitment: Every organization needs leadership by people who are committed to its purpose. Nothing can be achieved without this commitment. Leadership and commitment begin at the top. Leaders inspire others and set a good example.

Leadership involves the Governing Body which leads through Policy, Planning and Budgeting, Delegation, Oversight, Advocacy, good Governance practices and Orderly Decision-making.

Mission and Overall Objectives: Mission and overall objectives are the first steps in establishing a goal driven, proactive workforce. They are also a foundation for good planning.

Every organization has a purpose. Everyone needs to know what it is and be committed to it. This chapter helps you assess your current Mission Statement or create one.

Strategic Analysis and Planning: Strategic analysis and planning are ways to take a fresh look at your situation – and where you want to go. You test current practices to see if they will work well in the future. You test your view of your environment and make sure that it is accurate.

You answer questions like these: Where are we now? Where do we want to go? How do we get there?

Functions: What if we have a list of 300 actions? Will we gather 300 people and assign each of them one ac-

tion? That could be expensive and hard to control. Not every action would need full-time attention. We need to group actions into functions to make the best use of resources. This chapter explains what functions are and it can help you develop the functions you need.

Organization Structure: The organization structure groups functions and shows how they are linked. It helps employees and stakeholders understand the way the organization works. It also encourages cooperation and communication.

Without an organization structure, it would be hard to know reporting relationships, responsibilities and how functions work together. It would also be harder to know the chain of command.

Job Design: Please think back to a time when you started a new job. Did anyone tell you what to do? Did anyone tell you how your job would help achieve the aims of the organization? Did you know where your job fit on the organization structure?

This chapter describes the process of job design which involves choosing Job Titles and developing Job Descriptions.

This chapter will help you answer questions like these: What makes a good job title? What do job descriptions cover? How do you write a job description?

Numbers of Employees: How many people do you need in your organization? This chapter helps you decide.

Compensation and Remuneration: The basic contract between an employer and an employee is this: the employer pays the employee. The employee works in exchange for the pay - or compensation.

A good compensation and reward system will: attract and retain good employees; motivate employees and enliven an organization; recognize employee initiative and achievement; encourage the loyalty of employees. This chapter covers forms of compensation and ways to reward employees.

Implementing Organization Change: Change often makes employees nervous especially when it affects the jobs people do or the amount they earn.

Changes in structure may also affect procedures, regulations and lines of communication. These things can disrupt the course of business unless you consider them as you make changes.

This chapter will help you consider things like employees, procedures, regulations, interactions, practicalities and opportunities as you implement Organization Change.

Planning Ahead: Without clear direction, organizations can only react to current circumstances. Like a person on a treadmill, they move but they don't get anywhere.

Proactive organizations anticipate problems and fix them before they happen. They recognize opportunities and take advantage of them. They choose their actions. They do not let circumstances do it for them.

As you will see in this chapter, the need to plan ahead is essential.

Delegation: What happens if one person in an organization makes all the decisions? This holds everyone else back while they wait for him to decide. Yet, many people want to make every decision. Delegation means sharing actions and decision making with someone else and it is one of the quickest ways to improve an organization.

This chapter can help you improve delegation in your organization as it covers questions like: What is delegation? What are the benefits of delegation? What to delegate? How to delegate?

Management by Results: A manager is a person who is accountable for the outputs of others, for sustaining a team capable of producing those outputs and for giving effective leadership to that team.

Some organizations set specific goals for each employee, track actual results, compare actual results to goals and reward employees who achieve goals. This chapter shows you how to manage in ways that get results.

Rewards for Achievement: Each employee has a job to do. There is nothing wrong when a person comes to work and does his job. However, some employees do more for the organization than others. Rewards recognize their extra contributions. Some rewards come in the form of money and others do not.

This chapter can help you find ways to motivate employees through monetary and non-monetary rewards.

Departmental Audits: Most organizations perform financial audits every year. Excellent organizations go a step further and perform departmental audits to check the performance levels of each organizational unit against pre-set indicators, policies, regulations and standard operating procedures.

This chapter will help you understand how to establish and conduct a department auditing process.

E. How to Benefit from the Organization Development Section

Each chapter has an analysis section that poses questions to get you thinking about how your situation compares to the basic concepts. If you find that your situation can improve, we suggest that you consider making improvements. Each chapter suggests steps that you can take and provides references, examples, case studies and links to help you proceed.

To get started, you may want to try the OD Self-Assessment file in Excel. This can help you and your co-workers identify areas where you may need to improve.



