

The background of the entire page is a repeating pattern of stylized human icons. These icons represent a wide variety of people in terms of age, gender, and ethnicity, rendered in a flat, minimalist style. The colors used for the icons include shades of orange, teal, olive green, and brown, set against a light cream background. The icons are arranged in a grid-like fashion, filling the entire page around the central text area.

# Facing into Change

## The Organisation Development & Design Expert Service

supporting civil service change



**CIVIL SERVICE**  
ORGANISATION DEVELOPMENT AND DESIGN

# Facing into Change: The Organisation Development & Design Expert Service

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# The Organisation Development & Design Expert Service

This short report aims to give a flavour of the work of the Organisation Development and Design Expert Service (OD&D Service) and to illustrate the important role it has started to forge in supporting the CS Reform Plan and Civil Service departments going through large scale or complex change. It highlights the importance of dealing with the human dimension of change, the dynamics of relationships and the challenge of designing efficient organisations where people can be at their best. We are grateful to the Pension Scheme Management Executive in the Cabinet Office, the DfT's Rail Group and the Treasury Solicitor's Department (TSol) for sharing their experience of working with the Service and providing illustrations of why organisation development and design was relevant in their contexts.

## Background to the service

The OD&D Service is a small, cross-Government service delivering a shared consultancy resource to support organisational change, providing organisation development and design consultancy on significant change issues. It is led by Sally Hulks, the Director of Capability & Change within the Home Office and overseen by HR Director General Kevin White and has a business support manager and four full-time OD consultants who often work in collaboration with other OD&D specialists from departments and agencies.

One of four Civil Service HR expert services, the OD&D Service aims to support departments and cross-Government functions in delivering change by working collaboratively both to support the change and build ongoing sustainability in departments. It focuses on promoting alignment and connectivity in organisations to deliver sustainable, whole system change. Its operating model is shown in Figure 1 below.

The Service has developed over the past two years and it is currently supporting around 28 change initiatives in 19 departments and agencies. Typically they are approached by HR Directors seeking help at the start of a restructuring programme or support in building the effectiveness of a top team and would provide on average ten days consultancy support to include diagnostics, design and delivery.

## **Developing OD&D capability**

At the same time the OD&D Service aims to build internal OD capability across the civil service, and in particular within the HR community. This includes supporting practitioners, encouraging the use of common and consistent change models and practice, and developing an OD community to support practitioners and capture and share insights from current change projects so that best practice in emerging trends can be disseminated across the Civil Service.

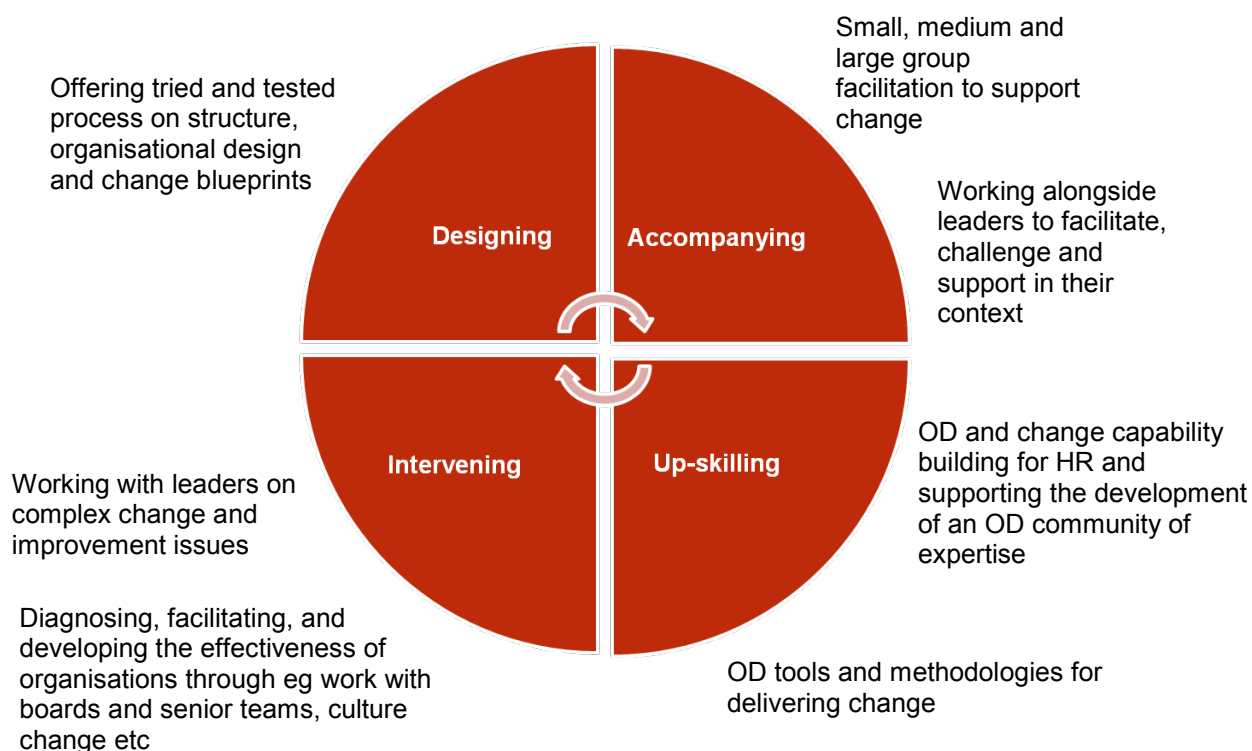
As part of this work within HR they have:

- designed and introduced the OD&D curriculum
- developed an intensive level one core programme for HR colleagues and delivered this to 130 people in 2012/13
- implemented a second phase to deliver the core programme to another 90 HR staff in 2013/14, and to expand the OD capability development offer to include an advanced level 'Next Steps' programme for practitioners and a tailored programme for HR fast streamers, which will be delivered to a further 70 participants.

The OD&D Service has worked in partnership with external providers Ashridge, Mayvin Ltd and Roffey Park Institute to design, develop and deliver these programmes. The current core programme providers, Mayvin Ltd, design and deliver the entry level programmes and believe it is essential to select participants who have the right 'mindset'; people who already recognise and lean towards the human dynamics of change. Candidates also require a good level of self and interpersonal awareness and a role in which they are well-supported to start to apply the OD mindset to their everyday work. The current eight-day programme is a combination of theory and practice. The syllabus, for example, includes an introduction to the OD cycle and process consulting as well as how to navigate culture, power and politics. Structured action learning projects then require participants to start applying their learning straight away in their own contexts. This reflects the importance that is placed on learning by doing and reflecting on how theory translates into practice. The aim is to develop HR and OD professionals throughout the Civil Service who are more impactful and ready to challenge. For some it has fundamentally changed the way they approach their work and although it is early days, the feedback from the programme is extremely positive.

The OD&D Service also co-ordinates networking and online information sharing for the civil service OD community, and in January 2013 this included hosting an “OD Summit” for practitioners to explore OD approaches and initiatives to support Civil Service reform and change.

**Figure 1: The OD&D Service operating model**



## Introduction to the client cases

### **The Civil Service Pension Schemes Executive, Cabinet Office**

Based in Basingstoke, this small group of fifteen people oversee the operation of the pension scheme and its governance. Previously part of a much larger division, the delivery side of the work has since become the first government Mutual, My Civil Service Pension. Those remaining are deep specialists and many have spent their working lives in pensions, acquiring knowledge of layers of legislation, different suppliers and political pressures against a background of enormous change in the wider world.

Tony Odams de Zylva, the new Head of Unit from October 2012, recognised that that they had been through a lot of top down imposed change and although the team was working hard, it had low engagement scores and there were signs of stress impacting delivery. A key priority for the OD&D Service was to help the team engage with the work that needed to be done over the next few years including further change and increased workload.

### **Rail Group**

The Rail Group was formed in January 2013 under Director General, Clare Moriarty, following the Laidlaw and Brown reports, which recommended that the different rail functions be brought together under one group. It was a difficult beginning, against a backdrop of criticism of the Department's handling of the West Coast Mainline franchise competition. The previous three months had been traumatic for many people in the team and the nature of the problems with West Coast left a legacy of difficult relationships.

Clare decided to approach the OD&D Service with her HR Director. She had a complex team to bring together and was thinking about structure and design and going forward wanted to look at culture, leadership and ways of working.

### **Treasury Solicitor's Department, TSol**

TSol contacted the OD&D Service to see if they could support the plans to integrate the majority of legal services into a single organisation, which would almost double in size. This would require the merger with TSol of many legal departments and there were issues of creating a new brand and identity to reflect the best of what was happening in all the individual organisations.

Peter Fish and Valerie Cain felt that specific organisation design expertise was needed and that the nature and scale of change required an objective external perspective.

# Why call on the OD&D Service?

OD frequently suffers from a lack of understanding and a certain mystique as practitioners themselves often find it difficult to describe what they do and their impact. Our three featured OD&D Service clients all had previous experience of, and interest in, OD so they were already ‘believers’ in the value of OD support. They provide the following insights about why organisations call on the OD&D Service for assistance.

## The scale of change is large and complex

In the case of large scale change, Departments often do not have the level of skill and experience or resource required and/or they may feel that an independent, perhaps more objective perspective is needed.

### TSol

For TSol, for example, the change involved a merger of different teams and cultures, doubling in size, changing the focus of the business and changing the geographical base. It also involved the more technical discipline of Organisation Design. Valerie Cain explained,

We called the OD&D Service in because we didn’t have the range and depth of experience to run such an exercise. We recognised the need for some professional help - it is quite a technical discipline and a small department would be very unlikely to have the skills in house. It was also important to have more detached input.

Rail Group similarly had to bring different teams together but in a climate where there had been recent conflict and confusion.

### Rail Group

An additional complication was that one of the senior leadership team was due to move to new role in a few months and another was initially on a six month contract. So there was a question about whether to press on with change or ‘let things run’ until the shape of the team was clearer. Clare Moriarty acknowledged,

The wider Group needs to see the senior leadership team working more closely together and paying attention to our own development. If I said I was going to let

things run along as they were until the position was clearer they would see things not being addressed and that would have sent the wrong message.

The Civil Service Pensions team was also going through a complex reorganisation of suppliers, schemes, and departments as well as taking on new work. In their case this followed an earlier major restructuring that had left a painful legacy of separation from long standing colleagues.

## There is low morale or low engagement

Repeated top down change, insecurity, and loss of colleagues all leave their mark on the workforce so that people feel unwilling to engage with future challenges. Rather than jump in to re-structure, the OD&D Service aim to start with more meaningful work, which often revolves around relationships and trust.

### Pension Scheme Management Executive

Subject to a lot of top down changes over a period of time, including the loss of colleagues as the delivery work moved to My Civil Service Pensions, the remaining small policy team in Basingstoke had low engagement scores yet were working hard. They were geographically remote and didn't feel engaged or involved. A key priority was to help them engage in the work and help to shape the change needed over next couple of years.

*If there is a knowledge business, pensions is it; layers of legislation, suppliers and politics and coming to grips with a lot of change in the wider world. They didn't feel engaged or involved. I wanted to reverse that.*

*There were significant signs of stress and absences and in such a small team with such expertise it is a real risk. We wouldn't want any to resign and I was worried about further change and not managing it well. The challenge was to create capacity in the team to cope with more change on top of what they have experienced.*

Tony Odams de Zylva

A similar theme at TSol was high professional engagement but lower engagement and identification with the organisation.

### TSol

*Lawyers in government departments are very passionate and proud about what they do and are dedicated to their work and clients. There was a lot of anxiety about the impact on client RELATIONSHIPS and compromising their work.*

*It is quite a dispersed federated organisational model; some felt more that they belonged to their clients rather than TSol. So there was also a question of how do you help people belong when they feel they belong to their clients and that gives them the professional edge from their work?*

OD&D consultant

## **Teams are dysfunctional and there is interpersonal conflict**

Where high levels of emotion and professional reputations are involved, change can be particularly painful. One of the OD&D consultants described it as 'organisational trauma'. Typical symptoms are unwillingness to take risks, people keep their heads down and communication becomes increasingly difficult.

## **A lack of clarity**

Our case studies were aware that lack of clarity in an organisational structure can affect accountability, particularly when several organisations are working together. During change lack of clarity can also come from uncertainty about the future and how outcomes will be achieved.

### **TSol**

*In organisation design you usually have an idea of what the end result will be but the challenge here was to build something better without knowing what that would be. It partly came out of CS reform so a solution was mandated which looked sensible but a big challenge to make sense of that and to get greater value out of the whole than the different bits. From experience we recognised that there were lots of opportunities but were not sure what it would look like or how best to get from here to there.*

Peter Fish and Valerie Cain

# The experience of working with the OD&D Service

## Working collaboratively & ‘thought partnering’

A key element of working with the OD&D Service is achieving fit and genuine collaboration with the client. Time is taken, therefore, to match the consultant with the client.

### TSol

*That match was important to us. They (the consultants) wanted to work out whether they wanted to work with us and it became clear that they could help. They gave both sides a get out by having some initial meetings and then an opportunity to take stock to see if it suited us both... They seemed to get very quickly what we were about and wanted to achieve and turned that into a Terms of Reference Document which was very useful.*

Peter Fish and Valerie Cain

The OD&D team describe much of what they do as ‘thought partnering’, recognising that leading change can be a very lonely experience where it is helpful to share and test ideas with someone outside the system who will both support and challenge. Clare Moriarty contrasts this approach with a previous experience of working with consultants.

### Rail Group

*It was a different experience. I wanted someone to walk alongside me in creating a leadership team and be able to pass ideas back and forth - taking a half formed idea and converting it into something that will happen. That is what the OD&D team have been really good at. They have said ‘we want to understand where you want to get to and we have some ideas about what you could do’ - not ‘I have a programme I want to deliver and I will adapt it to fit what you are telling me’. It is much more collaborative and if I had had that kind of support in a previous role I would have got further faster.*

Clare Moriarty

Peter Fish also noted that ‘the iterative nature of OD is different to employing consultants’. For TSol, rather than rushing to re-structure, it was about working with as broad a range of stakeholders as possible so that people feel involved, consulted and able to co-design the changes that will impact their daily work.

### TSol

*The OD team were keen to engage people but could also see that we wanted to involve people so that became a given at an early stage to involve people in decision making and shaping the organisation. We did realise at an early stage that we were shaping a new organisation and that everyone in that organisation ought to have a say.*

*Although we identified a number of potential interviewees they decided to talk to a much bigger group. In the end they saw twice as many people as had been envisaged. But they were keen to do that and also not just to talk to senior people.*

Valerie Cain

For TSol, collaboration has become co-creation as they deliver technical products together, working with all the new people who are going to be coming into the organisation and all the senior leadership team. Although there are quite divergent views as to what the benefits will be and, in some cases, whether there will be any benefits, the collaborative process has ensured that people have a voice and that those difficult conversations do take place.

## Challenging perceptions and assumptions

The diagnostics phase of OD work involving 1:1 interviews, which precedes every assignment, provides an opportunity for wide stakeholder involvement and to surface feelings and concerns anonymously to an objective listener. Themes and issues are aggregated in an unattributed way to paint a vivid picture of what are often previously unvoiced but sometimes shared perceptions and assumptions. This in itself is an important intervention and can be quite a cathartic experience as people feel they are being heard and start to make sense of the changes they are experiencing.

### TSol

*There was a perception that the merger of legal teams was in fact a TSol ‘takeover’ and an imposition of TSol culture so the independent diagnostics phase was helpful in diffusing some of the resistance.*

*Having the diagnostic done by independents was crucial and helped to build confidence in the rigour of the process. It provided a safe structure, a discipline that you can fall back on and recognition that there are some proper principles and processes being followed.*

Peter Fish and Valerie Cain

## Providing a safe environment to open up

The next phase is usually to take people out of their daily environment to work through the diagnostic output and start to challenge teams and individuals. In each case there were people who 'didn't feel comfortable with that sort of thing' and 'would do everything to avoid it', whether through scepticism, lack of comfort in 'opening up' or other misgivings.

Removing people from their everyday environment involves a balance between finding a 'safe space' and providing enough challenge to stimulate change.

### Rail group

*We had a successful away day and the OD&D team were very good to work with. We think on similar enough lines that I felt confident that I could say 'this is the kind of output I want to get to' and leave them to choose the activities that would get us there. I wanted people to feel a bit uncomfortable - to 'break some eggs' - and they were able to convert that into the detail of an away day.*

Clare Moriarty

With the Pensions team, the away day took the form of a mini Appreciative Inquiry (AI) Summit, which seeks to engage by amplifying what is working well rather than 'fixing' what is broken. This technique is often used where there is a legacy of hurt or loss.

### Pension Scheme Management Executive

One of the OD&D Service team described the process,

*Tony was clear about the parameters - there are the givens, this is the envelope, this is what we have got to do, these are the political issues. But within that we can create the detail. We then used the framework of the 4 D appreciative inquiry cycle to help them think about what the future would look like and how they could be at their best and take control of how that future becomes reality within the parameters set.*

When he took up his new role as Head of Unit, Tony Odams de Zylva had wanted his team to feel they could talk about 'how they felt, the history and where they were without management intervention'. After the AI Summit he acknowledged,

*From seeing the feedback I think AI was like a gentle releasing of pressure. Probably most were sceptical, thinking that it would be a talking shop but when they started to talk to each other and themes came out they clearly weren't saying the same things to each other. But there were then some themes to work with. There was a sense of really being listened to.*

Tony Odams de Zylva

The 'safe space' allows for greater honesty where people do not have to maintain the daily façade that all is fine and can start to tackle underlying problems and difficult relationships.

## Moving from 'out there' to 'I'

OD encourages individual ownership and responsibility so that people arrive at the point of facing up to what they as individuals need to do to change the team dynamic.

### Rail Group

*We went through 'it's out there' - as a senior leadership team, we felt able to talk about things that were problematic in the wider Group but it took a push to speak within the team, then it was even more difficult to admit we as individuals might be contributing to those problems.*

Clare Moriarty

OD works to counteract top-down change and build a sense of ownership. This means individuals taking responsibility for their own decisions, actions and behaviour.

## Getting to know colleagues as people

Various exercises during awaydays opened up new avenues of understanding and new ways to relate to colleagues and build trusting relationships.

### Rail Group

Prior to the away day, the team completed an anonymous 'Team Health Check'. One of the questions they scored low on was 'I know something about my colleagues' life outside work'. As a result the OD&D team built in an exercise.

*One powerful activity was an exercise of people doing their own time line of personal and career events and talking it through. That was unexpectedly effective as we were talking about ourselves in personal terms, and very honestly. People are a product of their experiences and it was easier to understand why each of us behaves in particular ways having heard the different stories.*

*The other thing was taking direct quotes from the Health Check and putting them on the wall. We talked in small groups about what resonated then brought that back into a general conversation. We still had to work quite hard to keep the discussion 'in the room' and resist the temptation to fall back on generalities, but it helped create a situation where we started talking about the issues in terms of our own responsibility. It threw up some opportunities that were possible to build on.*

Clare Moriarty

## Working with ambiguity and emergence

OD offers no pre-prepared outcome which means that leaders and facilitators alike have to become comfortable with a certain amount of uncertainty.

### TSol

*You don't like starting something off where you don't know what the outcome is going to be or going into a meeting where you don't know what the conclusion will be. The OD&D Service has been good about reassuring the Permanent Secretary that this was a structured process that wouldn't run away with itself. They have helped us as much with the engagement as they have with the technical stuff - perhaps more so.*

Peter Fish and Valerie Cain

To help clients work with ambiguity, the Service is clear that there are parameters and boundaries within which people can influence change. The Permanent Secretary, for example, was encouraged by the consultants to be clear 'what is up for grabs and what were his own personal red lines'. Tony Odams de Zylva also set the parameters and the givens before the AI Summit for his team.

# Impact

The key question for potential clients is, of course, 'do organisation development and organisation design work?' The Service operates a two stage evaluation process which provides helpful assessment data. However, OD can take time for the full impact to be acknowledged and the Service is relatively new. Our three case studies are still working with the Service but are able to point to some of the immediate as well as the anticipated impact of their work.

## Confidence in the process

For those not familiar with OD methods, it has been reassuring to find that it has been a professional process with rigorous tools.

### TSol

*There is a lot more confidence in the process and a lot of confidence in the products - they feel right. The Galbraith model was very helpful in aiding understanding and showing why who is on the Board is the end, rather than the starting, point. It was helpful for people to see that and they have a lot more confidence that we are using some kind of discipline and we are using people who have done this before and for whom we are not paying large consultancy fees.*

Peter Fish and Valerie Cain

## More clarity of direction

For TSol, clarity has come from the process, which has listened to a range of views and, while not everyone agrees with every detail, people have more confidence and clarity in the overall strategy.

### TSol

*One of the things people didn't understand from the diagnostic was how the organisation would be different from before, so we have produced a new strategic aim for the organisation and we have done that collectively. From that we have produced 8 design principles from which we can test the new design options and we have done that as a senior leadership team. Again not everyone agrees with everything but the process has been pretty healthy and produced some good work. From the diagnostic we saw there was a lack of clarity about the scale of ambition and it wasn't clear why we were doing what we were doing.*

*Having had that engagement we could say ‘this is the scale of ambition and direction’ and the next stage is to translate this into a more detailed design.*

*Being able to articulate what we think the organisation should be about has had a significant impact.*

Peter Fish and Valerie Cain

## Acknowledging the past and moving on

History is important in an organisational context. One of the consultants working with TSol described her first meeting as starting off in 1700 and working back to 1200. Tradition and culture play an important role in institutions.

More recent change or organisational trauma that is left unresolved, however, can also leave a legacy of low engagement. Some of the work of the OD&D service has been to surface and deal with painful episodes from the past to enable people to move forward.

### Pension Scheme Management Executive

*A lot of history came out; 3-5 years that they haven’t spoken about, was acknowledge and aired. When they did slowly open up there were issues about the way we don’t work together and don’t feel valued. There wasn’t an immediate change, but early positive signs have been built on. There is apparent better understanding of, and engagement with change and why it is happening and wanting to be a part of making change happen.*

Tony Odams de Zylva

For Clare, one of the key learning points of working with the OD&D Service has been the importance of history.

### Rail Group

Recognising the past and understanding where people come from has enabled Clare to adapt and vary her own style of leadership to meet her team’s needs.

*It was fantastically useful for me to understand people’s histories. It provided a lot of insight into how members of my team behave in particular circumstances and helped me to adapt my style to work with that. I understand some want more direction and although I am not naturally highly directional, I can provide it now.*

Clare Moriarty

## Changing behaviour and relationship dynamics

For one of the OD&D consultants, a key learning point has been,

*When you ask people to extend a hand and be different in relation to each other, positive and generative things come back. It is not always easy things or agreeing – just engaging with others, taking out assumptions we have about people.*

All the case studies recognise examples of behaviour change and better team relationships.

### Pension Scheme Management Executive

Tony Odams de Zylva describes the signs of change as ‘the canary in the mine’ as people start to contribute and respond more positively. These are small but important steps in unblocking channels of communication.

*While there is still scepticism, there is much greater buy-in and people have, for instance, changed days off to attend team events, which had not always happened in the past.*

Managers have also had to reflect on feedback from the team and have engaged fully with it. The results of the diagnostic were shared with them first at a meeting with the OD&D facilitator.

*They were very mature and reflective. It was key having that meeting. It diffused the threat and was well facilitated in terms of ‘why and what does it mean?’ It is always a risk when you go into an unscripted team meeting. It could have turned into finger pointing but we were clear this was about understanding history and themes then turning it smartly to thinking about the future. How do they see it? Where do they want it to be?*

Tony Odams de Zylva

Clare Moriarty also felt a change in team dynamics following the away day.

### Rail Group

Following their awayday, Clare Moriarty sent round to the team a one page leaflet of outputs and commitments including the model that they had worked with. She believes they are all doing things ‘that are observably different and anchored back to the awayday’.

*It still takes effort to have an honest conversation about ourselves and our own feelings and behaviour rather than just talk about ‘stuff’. But I can see a genuine difference just from knowing that we have had that conversation and have been open and honest in the room.*

*We made a series of individual and collective commitments at the end of the awayday and one was to set aside half an hour a week for a check in session. We have done a couple of those and they have been better quality discussions consistently since then - each time people say it is good that they are having these conversations.*

Clare Moriarty

## Sustaining change and committing to action

All three case studies recognise that OD is not a 'magic bullet'. While there can be major steps forward in 'unblocking' relationships and communication, for the long term the regular reinforcement of change and particularly behaviour change has to be 'programmed in' to business as usual.

### Rail Group

Following on from the initial awayday, the team will have an awayday every two months to spend half the time on the team and half on business strategy, which is a big commitment for people working at an intense pace. They also agreed that in the weekly 'check in', they would focus on personal discussion rather than 'stuff', and would have a fortnightly deep dive on a big issue of collective interest. These are simple OD approaches but for this team, it is a great step forward. Clare admits, however,

*There is a huge agenda so getting the balance of focus in making it happen and the long term development agenda is difficult. I know we need to put more time into getting team stuff working but inevitably spent more time on making things happen.*

The Pension Scheme Management Executive set up Rapid Action teams during their AI Summit.

### Pension Scheme Management Executive

*They did come up with 5-6 different priority areas of work that needed to be done to get to 'the dream'. They coalesced around those 5 areas and we attached a senior manager sponsor to each of the areas but on the understanding that they were sponsor support/advice not controlling or setting the work. The work was in the hands of the individuals and the senior managers were the reference point. We left them at the point where they had a fairly detailed plan of their 5 or 6 priorities, their strategies for what we called the rapid action teams and how they would work up a plan to take back to the senior managers as a plan of action, again on the understanding that unless they went outside the parameters, the senior managers would act as supporters not setters of strategy.*

Consultant, OD&D Service

Collaboration and co-creation might be seen as slow processes. With multiple stakeholders, the OD&D consultants found ways to maintain steady progress while retaining the participative principles.

### TSol

*On the design stage we have taken a more a participative approach. In the session with senior leaders there were so many things to work on in more detail I asked if they would trust each other to work in small groups, for example to work on strategy, design principles and benefits. Would they allow colleagues to be in other groups on their behalf? They agreed and they have got to the point where in the smaller group conversations they have parameters they act within but no facilitation. We have opened it up for them to think and explore (again there was some anxiety but we wanted them to contribute fully) for the next month then each will come back to the standard workstream group and report back.*

Consultant, OD&D Service

# Where next for the Service?

The Service has expanded in response to demand over the last year and that demand continues to grow, posing questions about the sustainability of the current operating model. A review is currently underway as part of the next phase of the Civil Service HR transformation programme and the Service is looking at different operating models. The Service's challenge is a familiar one to small consultancies, both internal and external - how to increase capacity whilst maintaining the core specialist offer. Whatever the outcome, the Service is clear about its intention, which is to continue to provide high quality support for those working on the many complex change issues the Civil Service is currently facing.

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