

From Vision/Action: The Journal of the Bay Area OD Network, Summer, 1998:

"THE MISSION MAKES A DIFFERENCE"

"I like building better workplaces that honor people and bring out the best in them. I chose to work here because I feel good about our product--health care."

(Internal Consultant in non-profit health care facility)

For most of the 18 or so consultants I spoke with who practice their OD consultation within public or non-profit organizations, the connection between their work and the mission of the organization is what brings meaning and value. Whether the mission is health care, education, or community or public service, the work justifies long hours at lower pay by making a larger difference, and generating a sense of purpose. The potential to have a lasting impact, bring fresh new perspectives, empower the disenfranchised and leverage change for the community good, are especially gratifying for these practitioners. One manager in a non-profit organization said, "I have a passion for the kids, for the tools OD gives me, and for how I do the work. Being able to speak the truth and to create an environment that is safe, trusting, fair, open and consistent brings immeasurable rewards!"

I found few internals in nonprofits or government who only do organization development consulting. of lack of knowledge or appreciation of OD's value and benefits, these sectors seem to give less support for the application of OD principles. Insulation from the market pressures that encourage private enterprises to seek OD as a competitive resource may also be a factor. So, many internals in the public and non-profit organizations find their titles have nothing to do with OD. They serve as human resource managers, trainers, or project managers and do OD on the side. Others are managers of divisions, branches or large organizations and use OD to guide their management practices and leadership style.

However, the pressure of constituent requirements and a public and social environment constantly buffeted by conflicting demands are having an impact. The withering away of formerly stable revenue sources, the need to partner with profit-making enterprises and the frustrations of lumbering, unresponsive bureaucratic systems are additional forces bringing major change to not-for-profit organizations. They are now being forced to consider the methodologies of organization and process re-design, employee and citizen involvement, and team-based decision making. Such approaches encourage the use of the internal OD consultants' skills regardless of title.

Internals in non-profits and in public organizations are finding themselves:

leading organization change initiatives,

facilitating key strategy sessions,

assisting the organization to identify who is the customer and become more customer service oriented,

coaching leaders and supporting employees through the pain and disruption of mergers and downsizing,

leading large group interventions to align the members of the organization with the vision and mission,

coaching executive leaders through uncharted waters, and

implementing 360 degree feedback programs.

On the surface, these efforts sound very similar to the work of the internal in the corporate, for-profit sector. In many cases they are. But as public sector and nonprofit OD practitioners explain the challenges and the opportunities, they frequently believe they differ from those of their for-profit colleagues.

#### The Mission Make A Difference: Challenges

**Attempting to Achieve Two Major Goals:** For many consultants, having one goal such as supporting the mission of the organization, and having another, becoming more business-like, result in conflicting strategies and divisions within the organization. One consultant explained, "Our mission is health care and health research. Yet, as an entrepreneurial science institution, we seek grants to conduct research. The business of seeking and tracking dollars results in a dual personality, divisions in the organization and a conflict with our mission of health care." Or as another said, "The complexity of trying to achieve quality of care and patient service while accomplishing huge budget reductions present a huge challenge." Although the goals may not always be contradictory, achieving one goal if it is given the force of leadership and urgency may be doable but the other goal may then loses focus and attention.

**Identifying the Customer:** Improving the quality of service to customers is a challenge when there is little agreement about who is the customer. Is it the public, the local community, the staff, the client or service recipient, the funder, the political or the civil service leadership? Multiple stakeholders demand attention, and influence the success of the organization. Members of the organization seldom have consensus on who they need to serve.

**Use of Financial Resources:** As stewards of private donations or public funds, both nonprofits and public organizations allocate limited resources for the development of people or the organization. The "core work is identifying what we are trying to achieve, assessing the current state and figuring out how to get there from here without spending a lot of dollars." A common belief is that money and time should be channeled mainly to meet the mission of the organization. Therefore, little is invested in technology, training, or in developing the organization.

**The Need For Change:** "It is harder to find the bottom line reason for change," a statement echoed by several internals. In some public organizations, a guaranteed revenue stream does little to convince the leadership of the need for radical change and innovation. In addition, where employees believe they have been promised improvements, there is a resulting stress, low morale and cynicism when those "glimmers of hope" are dashed. As one consultant explained, "When you are passionate about your work, you accept lower pay and longer hours," but eagerly jump at the possibilities of improved technology or new skills to help do your job better. When those "promises" repeatedly do not materialize, it takes a "tremendous toll".

**Overcoming The Bureaucratic Stereotype:** There may be some basis for the stereotype of bureaucratic employees satisfied with the status quo and unwilling to consider new possibilities in larger public organizations and among unionized employees. However, those who seem so resistant to change may be products of a system which is rigid, arthritic and tradition-bound. Old-fashioned systems are reinforced by the status quo, procedures, layers of approval and authorization, or leadership structures unwilling to risk public dissent. "These are bright, talented people, not drones. They have chosen this

environment because they are passionate about their work, they want to make a difference, they believe in the mission of the organization," explained one consultant in a public organization. An employee who originally held these attitudes finds little support from this old industrial structural model and becomes resigned to seeking satisfaction from the status quo. The challenge for the internal consultant, then, is overcoming the low morale, reaching the resigned and the cynical, and getting people to make change in an unresponsive system.

**Finding Incentives:** In any organization change work, we need to identify incentives for the investment. Certainly in for-profit enterprises, financial incentives help drive organizational change. Individuals receive bonuses, stock options, and pay increases as rewards. In public and non-profit environments, change incentives must be aligned more with mission and purpose. Non-profit organizations which are "people-oriented" may get trapped between their altruism and the difficulty of making hard decisions. The more successful are those who balance the mission of the organization with a pragmatic approach to their operations. Idealism may motivate employees and volunteers but it doesn't keep the organization running.

Several consultants commented on the challenge of creating "artificial" systems of measure-- establishing goals, objectives and milestone to create motivation for accomplishment. However, most of the OD practitioners in these organizations continue to struggle to search for "bottom-line" measures, and help their clients think and act like a business. They tie quantitative measures of cost savings to expanding the service of the organizational mission, appeal to employee altruism to increase skills and improve performance for clients' benefit, and look for links between the organization mission and the potential outcomes of change efforts. Others institute measures of customer and employee satisfaction, emphasize the importance of cost reductions with the threat of privatization, or target bureaucratic rigidity as a barrier to the responsiveness required to meet community needs.

**Leadership:** Successful organizations had strong visionary leadership committed to possibilities, and willing to move the organization forward regardless of potential public scrutiny of resources used for change efforts. Practitioners contrasted this with the entrenched leader who cannot see the need to align the organization structure with its mission and purpose, create a more flexible organization, or develop employees. Other leaders are paralyzed by inertia or the fear of criticism so common when leaders work in a public fish bowl. A consultant in a large government bureaucracy commented on the political criticism they faced when they used a large group intervention strategy. Elected representatives interpreted the event as a social gathering and a waste of tax dollars. However, when the OD consultant can partner with the leader of an organization providing both technical expertise to manage change, and coaching the leader to take the lonely yet courageous stands that are needed, there is tremendous benefit and potential lasting impact.

#### The Mission Makes A Difference: Opportunities

Despite the challenges identified above, many OD practitioners in the public and nonprofit sectors are clearly inspired by their work, believing that there are more possibilities than constraints for success and impact. They see meaningful change and breakthroughs in bureaucratic structures, and they are proud of bottom-line cost cutting in reducing workers compensation claims or staff turnover. Although some believe they are behind the curve of the business sector in using innovative and progressive OD methodologies, others believe they are doing leading edge work such as bringing together local, state and federal agencies with private non-profit, education, and health organizations to span boundaries

and collaborate on some of societies toughest issues.

They work with bright, creative people who are committed, feel deeply and want to deliver high quality results. They apply the range of OD technologies either directly or as managers, leaders, and guerillas. They all suggest the environment and the culture are different, but then wouldn't we say that about most organizations? As one consultant suggested, "We have lots to learn from each other. It is a myth that we can't work in across sectors and it would be healthy if there were more cross-over."

I believe that profit sector accountability for results and bottom-line orientation can bring value-added benefits to public and nonprofit organizations. The exchange and learning, however, should not be in a single direction. The passion and purposive enthusiasm which comes from supporting a mission-driven organization that contributes to the greater good of society can provide, perhaps, additional models for developing values-driven profit-making enterprises. And OD consultants who are who are often values-driven themselves may see the benefit to "cross-over" and to respect the not-for-profit experience as worthy and useful.