

Management Summaries

Occasional synopses of modern management writings

Introducing the art of OD

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OD is the art of organisation development - the application of behavioural science to turn work into a positive and successful place in which people are fulfilled.

As a discipline, OD emerged in the 1950s as a product of an initiative in the United States known as the 'quality of work life' movement. The QWL movement was largely sponsored by the employee's unions, but it gained widespread attention and was seen as a positive endorsement of, and stimulus to, progressive management practices.

In the late 1970s and early 1980s, the term 'excellence' was applied simultaneously by the White House and by two management commentators, Bob Waterman and Tom Peters, to the idea that long-term corporate success followed from four key characteristics - **customer obsession, employee empowerment, transformed leadership and institutionalised innovation**. Those four tenets were the bedrock of the QWL movement too.

In the intervening years, other initiatives have been based on the same model, though sadly few people read the whole book before they apply their own interpretation to the title! Examples would be Total Quality (TQ), Business Process Reengineering (BPR), and the Balanced Scorecard, each of which assumed the four tenets as precursors for the environment they were proposing.

OD then, reflects a discipline concerned with helping organisations develop the four tenets. It is the application of science, but with a very clear set of values about people and work underlying it.

Today, most people refer to OD, rather than QWL or 'excellence'. For fairly simple psychological reasons, the modern management world distrusts the qualitative and favours the quantitative. Consequently, managers in 'scientific' industries (such as manufacturing, finance and engineering) often give the impression that they consider themselves a step above those in the 'soft' industries (such as leisure, arts, and healthcare). Consequently a science has evolved around the behaviour of people at work - this is known as OB (organisational behaviour). OB does not have the same underlying values implicit in it and can be applied in circumstances where an OD practitioner would refuse to be involved. As the old Sy Oliver song went: *"It ain't what you do, it's the way that you do it."*