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# ORGANIZATION DEVELOPMENT AND HUMAN RESOURCES

## FURTHER REFLECTIONS ON THE PRACTICE OF THE FIELDS

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In an *OD Practitioner* article published two years ago, we highlighted that the relationship between Organization Development (OD) and Human Resources (HR) is that of an “uneasy alliance.”<sup>2</sup> Our claim was not simply that certain oppositional tendencies are present in practice but that their differences exist *in principle*, making integration across the two fields difficult. In this article, we reflect on our personal experiences and the collaboration we’ve had with HR and OD functions to further consider how such differences in principle show up in their practice.

To recap our original contention:

*OD comes at group and organizational phenomena through a personal and transpersonal lens; HR looks at group and organizational life through a utilitarian lens. . . . OD deals with the realm of people as persons; HR deals with the realm, quite literally, of people as resources. For OD, human persons—their capacity to flourish, contribute, and creatively give of themselves in organizational settings are the lifeblood of an organization. . . . For HR, human capital is instrumental to organizational ends—people are seen as means for performance, productivity, and profitability. . . . The former is inherently concerned with dimensions of purpose, motivation, and spirit; the latter’s concerns are essentially utilitarian, programmatic, and mechanical. (p. 37)*

To take a historical view: over the past five decades, the increasing complexity of large, modern organizations gave rise to these two different fields, each rooted in varying concepts and methods. Much to its success, the number of HR functions that include OD as one of its centers of expertise has proliferated over the past twenty years, as senior positions and support staff have been added that exclusively focus on OD. Yet OD and HR sometimes struggle to find their own place and identity in organizations today, both in their structure and their practice. This is significant we think given the need for both OD and HR in organizations today.

The tension practitioners sometimes inwardly experience trying to bring each field’s value to the table is a clue to understanding the possibilities—and inherent limitations—of reconciling them at a more structural organizational level.

In fact, structuring the OD function in the organization has been a topic of substantial discussion.<sup>3</sup>

With this view, it seems sensible to ask two questions:

- Has the HR function fully assimilated OD?
- Has the OD function outlived its independence?

In the sections that follow, we meditate on why we believe these questions are important.

## THE PREDICAMENT OF HR AND ITS IMPLICATIONS FOR PRACTICE

For a good number of years now, practitioners in HR have sought to be an equal player at the table in the executive suite. They have sought to be seen, and to operate, as “full partners with the business.” The language of Return on Investment (ROI), performance management, and human capital all reflect this interest, as do continuing shifts in organizational matrix arrangements to bring HR closer to line operating units. The emergence, too, of the role of the Chief Human Resources Officer, more popularly, the CHRO, is part and parcel of this shift, even if sometimes the HR chief does not benefit from the same status as other C-suite players.

It is also reflected in some HR practitioners’ increasing interest in OD. Some of the tools of the trade of OD—succession planning, organizational diagnostics, change management techniques, and the like—have increasing appeal, while eschewing what is overly soft in OD. Coaching, once part of the more subjective world of OD, has now taken on increasing importance for HR as a service line and brokered function, with its emphasis on formal assessments, action planning and certification. The renewed interest today of some HR functions to integrate OD more broadly into its operations is yet another expression of this thinking.

All of this is interesting to us on several counts. The very language of ROI and performance suggests an economic model at the core of the HR mindset—“utilitarian” as we first described. Coaching is a striking example especially. HR’s incorporation of coaching reflects a dual tendency

to commoditize its practice for programmatic purposes as well as HR's underlying compliance, rule-based orientation in serving as the guardian at the gate of accreditation. The tendency to focus on "hard" techniques, notwithstanding the value of doing so, also suggests something of the mechanical outlook we associated with HR in our initial paper.

Moreover, the interest in the "seat at the table" suggests a problematic with power—even one of self-identity for HR. The continuing quest to be a partner with the business is telling we think. As a thought exercise, compare and contrast HR's interest here with that of the Finance function. It would never occur for those in Finance to "partner" with the business in the same way HR typically seeks, for Finance is seen as integral to the business from the start. In contrast, HR's search to be a part of the business suggests it is inherently *apart* from the business in the first instance.

Ironically, this is at odds with the economic orientation at the center of so much of HR's work and interests. However, without a deeper base to anchor it, HR is left in a quandary, without a real home in the business. As a result, HR is then often relegated to serving as a "handmaiden of power" in organizations, carrying out mandates, reorganizations, and other activities at the behest of management. In this, HR can generate considerable suspicion from the body of the organization and, at times, even contempt from line management. Given this dynamic, HR's quest for legitimate power and influence only intensifies.

Enter HR's interest in OD. Some in HR may see in OD's techniques and areas of operation—succession, coaching, leadership, change, etc.—ways to get closer to the business and try to close the gap and "show value." However, we have seen *the tendency for HR to seek to appropriate the techniques of OD without its heart*. Indeed, if we are right about our initial claim and inherent tension between the two fields, this does not seem incidental to HR's purposes and predicament.

Not unlike some of those in the broader business they emulate, some HR practitioners seek to distance (i.e., split-off or alienate) themselves from what they may disdainfully see as the "fluffy" part of OD. This is understandable given its economic, utilitarian bias. Seen from this lens, it would be costly to entertain a different view of OD, damaging HR's chances of being admitted as full partners in the business. After all, OD *is quirky*, different, and "apart." So HR cuts itself off from the more human dimension—and contents itself with the more structural, mechanical, and programmatic aspects of OD. The quest "to merge" with OD becomes an "acquisition."

Nevertheless, we maintain that HR's very disassociation with the deeper dimension of OD—what we termed the *personal and transpersonal* dimension—dooms it to its

present dynamic, forever seeking influence and power but inevitably falling short. Efforts to bridge the gap with new activities, and more and more mechanical practices and measures, cannot fundamentally alter this. A vital dimension is missing—the spirit of OD.

## THE PREDICAMENT OF OD AND ITS IMPLICATIONS FOR PRACTICE

Practicing OD is hard. In part, because the field is more art than science. Although rooted in the human sciences, the field and its methods and tools are not for the faint of heart. For those willing to step outside the boundaries of HR, practicing OD means much more than being "fluffy" or "people-oriented." Practicing OD offers significant opportunities to help people and organizations reach heights that would be more difficult to achieve left to their own devices.

Yet practicing OD in today's organization also raises limitations. Chief among them is OD practitioners' own ambivalence in the exercise of power. We believe many of today's approaches in OD fall short of unlocking human capabilities and collective ambitions, calling for significant renewal and change. A decade ago, OD was advised to be more "business-oriented." Today, however, OD's challenge is how to be purpose- and strategy-driven at any point along the *value chain* and, at the same time, effectively unleash human energy in organizational systems.

The very exercise of this power can be daunting. Many OD practitioners back away from it for reasons related to knowledge, skill, opportunity, and nerve. Regardless of the reason, we contend some seek refuge from OD's deeper purpose in one of two typical ways: the first is to focus on what might be called "starry-eyed" transformation possibilities, utopian-like hopes that bear little resemblance to the difficulties people encounter at work and what they can achieve through serious, empowered efforts. These are essentially efforts to wish into existence "roses without thorns." This can be seen time and again in OD efforts that seek to wholly by-pass dealing with painful realities in the status quo and simply jump to an idealized future state. When this happens, such efforts make the dismissal of OD as fluff by others, including HR, we believe, rational.<sup>4</sup>

At its best, OD "stands apart from the business," not to pursue an aesthetic all its own but to help others find their voice and contribute to the organizational community as a whole—be they at the top, middle, or bottom of an enterprise or a customer of any kind.<sup>5</sup> Given these ends and when engaged to do so, OD's legitimate use of power is through interventions that seek to shift the playing field to liberate the potential of others in service of the wider mission of the enterprise.

The second way we see that some in OD try to escape its legitimate exercise of power is to reject the personal and transpersonal realms themselves—substituting a superficial focus on mechanics and techniques, some of them quite faddish. Contemporary OD methods often split-off elements that pump lifeblood into the heart and soul of an organization by their preoccupation with the formalisms of prescribed technique (be they found in assessment tools, team exercises, in-vogue models, and the like). Some in the field also continue to harp on how business-oriented OD must be, and at the extreme, capitulate to the same mindset that characterizes much of the practice of HR described above. By overly focusing on techniques and the trendy, or by simply focusing on the “business of business,” practitioners run the risk of not attending to the underlying energetic currents and generative possibilities already in place.

This is exacerbated with the structural subordination of OD to HR in organizational settings, for it makes it difficult for OD to realize its fuller relevance and value. As OD’s principles and practices continue to be appropriated, if not cannibalized by HR, individual practitioners may find their values and beliefs inconsistent with that of their HR peers—or worse, at odds with their actions.

The way out of this impasse for OD, of course, is for its practitioners to reclaim the deepest part of the field’s purpose and promise. This will not be easy given today’s organizational realities, but we believe it will be necessary. OD must shift its emphasis from being a part of HR to being a *partner* with, yet *apart* from HR—a paradox in itself. Notwithstanding the odds, OD practitioners operating within HR functions must manage to find effective ways to push the limits, in spite of the tensions, and respond to pressing organizational needs. This requires a shift not only in the design, execution, and measurement of OD interventions but in how they are conceived.

## A RECONCILIATION OF THE FIELDS?

Despite the dissonance between the fields, we believe that OD and HR can and should complement one another, and when appropriate, combine with other management strategies to effect positive organizational change.

To reduce this dissonance, there are reciprocal roles for both OD and HR practitioners. OD practitioners must understand and value the role of HR in its day-to-day operational and people matters. In parallel, HR practitioners must understand and value the role of OD in unfreezing organizational inertia to unlock the human spirit at work. From our perspective, the challenges of modern organizations require the best of what OD and HR each have to offer.

Differences in concept and method will continue to divide the OD and HR fields. Bringing those differences into focus

will require a level of attention resembling that of an inter-group paradox—by this we mean the management of sometimes competing interests as perceived among the fields’ respective members, acted-out between individual practitioners and structural boundaries. That’s really the essence of this article—to reflect on each of the fields and to engage in a constructive dialogue, even though an “uneasy alliance” may endure.

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<sup>1</sup> The ideas in this article represent the authors’ opinions. Those expressed by Dr. Jules do not necessarily reflect the views of Accenture or of its Management Consulting and Talent & Organization Practices.

<sup>2</sup> Goldberg, M. & Jules, C. (2010). Organization development and human resources: Why the uneasy alliance? *OD Practitioner*, 42 (4), 36-39.

<sup>3</sup> See for example: Bunker, B. (1986). Structuring the OD function. In J. W. Pfeiffer & L. D. Goodstein (Eds.). *The 1986 Annual: Developing Human Resources*. La Jolla, CA: University Associates; and Burke, W.W. (2004). Internal organization development practitioners: Where Do they Belong? *The Journal of Applied Behavioral Science*; 40 (4), 423-431.

<sup>4</sup> This is not to say that all transformation efforts are “starry-eyed.” To the contrary, there are profound needs for radical shifts in business and organizational systems. Here, we are calling out a persistent strain in the field that, while lofty in aspiration, is not grounded. For a commentary on an ill-fated large-scale case based on this way of thinking, see Goldberg, M. (1989). *Hidden within the spirit*. *OD Practitioner*, 21(2), 5-8.

<sup>5</sup> Oshry, B. (1995). *Power and systems: unlocking the mysteries of organizational life*. San Francisco, CA: Berrett-Koehler.