



Organisational development

Lessons learnt



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Introduction

Organisational development (OD) is, and has always been hugely important for Caritas Europa (CE).

Stronger organisations give for a stronger network. OD is one of the three components in the Strategic Framework and CE has pioneered a number of important initiatives:

- The **Common Management Standards (CMS)**, adopted in Caritas Europa in 2009 have developed into the **Caritas Internationalis Management Standards (CIMS)** we know today;
- **Learning paths** offer Caritas-specific capacity strengthening trajectories in a number of important learning areas including OD;
- The **Organisational Development Solidarity System (ODSS)** is a unique approach that allows for financial and technical support to implement OD.

These key organisational development elements are inter-linked and give for the comprehensive OD strategy that Caritas Europa has today.

Solidarity is an important value of Catholic Social Teaching and is *'a firm and preserving determination to commit oneself to the common good. That is to say to the good of all and each individual, because we are all really responsible for all'* (Sollicitudo Rei Socialis).

OD support in the network is necessary to level the differences that exist between MO in the light of having strong members and regions. When we act in generosity and solidarity, we are bringing about the spirit of Caritas and acknowledging that we are not isolated organisations that happen to live side by side, but that we are mutually **interdependent** and must find ways to

support each other and help each other to thrive.

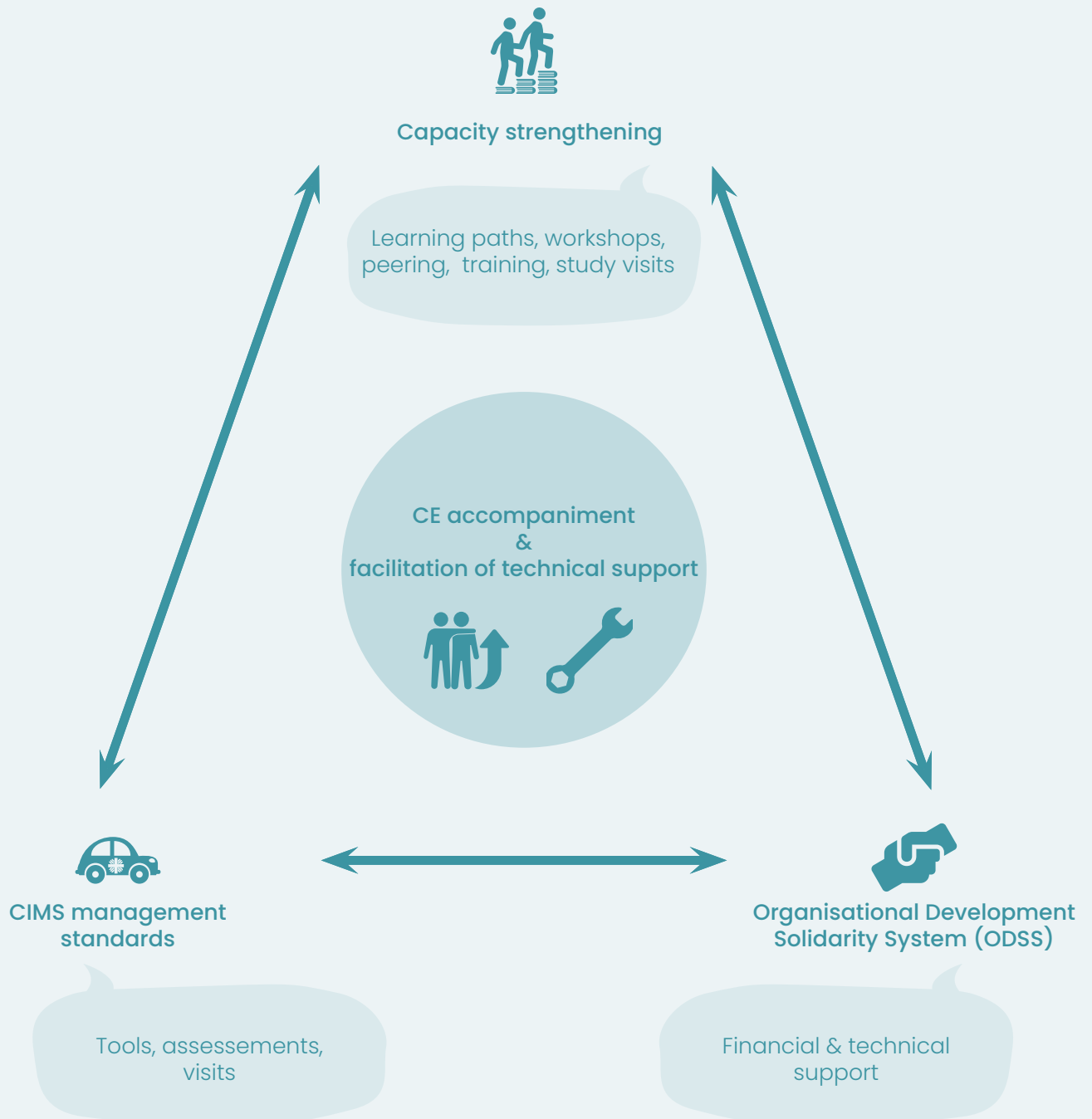
The **solidarity** concept has evolved from a distribution of un-earmarked funds in the network (European Solidarity Fund - ESF), via the Caritas Development Fund (CDF) focusing on funding of organisational development plans, to the Organisational Development Solidarity System (ODSS) we know today.

The ODSS is a structured mechanism that foresees financial and technical support for which member organisations (MO) can apply – but with important eligibility criteria to be met. The funds are allocated to clearly defined **organisational development plans**. Transparency and accountability are ensured through reporting and auditing obligations. Accompaniment during implementation is an important feature too.

The Organisational Development Solidarity System Task Force (ODSSTF) is the working structure that supports CE in managing the entire ODSS process and is supportive to MO that are implementing their OD plans in the ODSS context, also offering accompaniment.

Throughout the existence of the CDF and the ODSS, external evaluations as well as internal reflection on the OD solidarity schemes has taken place. The external evaluation (2016) identified seven important factors of success related to the implementation of the OD plans in the context of the CDF, which are applicable to ODSS too. They are all factors **internal** to the applicant organisation.

These seven factors are now further described in this document. This information and guidance is accessible to any organisation seeking to improve its organisational development. It is key that we keep learning from the Caritas Europa and the Member Organisation's organisational development experiences!



What is organisational development – OD?

Organisational development (OD) is a process that helps organisations build capacity to change and achieve greater effectiveness by developing, improving, and reinforcing strategies, structures, and processes. Implementing organisational

development requires an investment of time and money. An effective organisation can boost employee motivation because staff can feel more empowered and valued when the organisation is well structured.

*'The Church's charitable organisations, beginning with those of Caritas (at diocesan, national and international levels), ought to do everything in their power to provide the resources and above all the personnel needed for this work. Individuals who care for those in need must first be professionally competent: they should be properly trained in what to do and how to do it, and committed to continuing care.'*¹

Caritas Europa (CE) considers organisational development to be a deliberate, structured and continuous learning and improvement process.

- **Deliberate** in the sense that every individual or organisation learns and that the individual or organisation is aware of this process, takes charge of it, plans and steers it and follows its progress and results.
- **Structured** because organisational development is organised in phases and
- **Continuous** meaning that it is a cyclical process of continuous improvement and learning.

An organisational development **strategy (OD strategy)** is a long-term approach to organisational development. It outlines the intention of a member organisation (MO) to lead an internal OD process in order to implement structural changes to the organisation and its way of working so that it can achieve the organisation's vision/mission/goals. The strategy is based on a thorough analysis of the organisational goals and the weaknesses that are in the way of achieving them.

An organisational development **plan (OD plan)** outlines the way in which a MO plans to fill certain gaps it might have identified or to face the challenges it encounters related to its organisational development. It addresses a specific element (or specific elements) of the strategy, but not the whole picture. The plan will for instance address weaknesses identified on the basis of the CIMS self-assessment and will therefore be linked to the improvement plan.

Both a strategy and a plan include: i) Objectives; ii) Specific activities aimed at achieving objectives; iii) Timeframe; and iv) Monitoring and evaluation system (M&E).

The Organisational Development Solidarity System's (ODSS) OD plan addresses specific weaknesses and gaps that are identified as priorities that need to be tackled first, possibly leaving other important issues on the side. Furthermore, not all changes that have started in the defined three-year ODSS cycle will be completed by the end of the three-year period.

Caritas Hellas: 'The support received through CE and the Caritas partners brings Caritas Hellas closer into the network.'

¹ Pope Benedict XVI, Deus Caritas Est, §31a

7 success factors

Seven internal factors that any organisation can control to give its organisational development the best chance of succeeding

1. One person in charge of OD



Organisational development (OD) is, and has always been hugely important for Caritas Europa (CE).

Once your OD strategy, or in the case of ODSS the plan with its priority areas and the chosen strategy are identified, agreed and supported, especially by people in executive and governance positions (see factor 3), you are ready to start implementing.

First thing to do is to designate a person whose job it is to lead, coordinate and monitor the implementation, to report on the steps that have been undertaken and to follow up on what needs to be done. In the ODSS context, this is the ODSS coordinator.

This person does not necessarily have to be a specialist in OD. Most of the time the tasks linked to OD will be administrative ones.

Example: Looking for documents that have been approved by your board and systematising them; checking if there are regulations that have been approved and need to be incorporated in the daily life of staff; adapting new doc-

uments to new requirements in the network or your legal surrounding (for example a safeguarding-, or a fraud and corruption policy).

These administrative issues are also very important in preparing for the CIMS assessment, so it's good to have a person that is bringing all the documents together, is harmonising and systematising them.

For other, more abstract tasks it is good if that person has knowledge of your structures and procedures and is able to see where there are gaps that have to be filled, or inconsistencies with the actual mission of the organisation.

Example: When thinking about the change needed to make your organisation function in the best possible way, it can be necessary to modify some of the existing documents, for example your statutes or the terms of reference (TOR) for your board of directors.

Don't be overambitious though, just make sure to have a coordinator who is keeping an eye on the renewal / change process, and who will understand that for some tasks external specialists are needed, such as a legal expert or a lawyer.

Caritas Slovenia: *'It was very important that a particular person was nominated for the coordination of the project. It was important that organisational development was a part of the regular working hours and not additional obligation, which would burden already very occupied staff. It was important that the OD project manager regularly monitored the project.'*

Ideally, your OD coordinator is positioned directly under the management of the organisation, with reporting duties to the (executive) director and the possibility to allocate tasks to other staff members. This helps to create ad-hoc teams for the elaboration of new policies and procedures and discuss them directly with the leadership of the organisation.

The time your OD coordinator needs for the OD follow up

depends on your OD plan and the pressure you put on the process.

Example: In the ODSS it proved to be useful to designate a minimum of 20 hours per week for 3 years to the OD person, enabling the coordinator to produce results in a timely manner. If you have to produce results faster, then allocate a full position to the OD tasks.

2. Clear task division in the team



An OD process is comprehensive and it involves different tasks for different people.

It needs a sound strategy, as well as a good plan, good processes and procedures, structure and sometimes technology. It takes a long time to get the desired results. For improving the effectiveness of the organisation through OD the involvement of all concerned people is needed and everybody needs to be aware of his/her task!

Right from the top to the bottom of an organisation, everyone

is concerned with OD: governance and executive leadership, middle-, line-, and project managers and coordinators in all of your organisation's fields of activity. It is expected that everyone give the desired contribution for organisational development with defined role and tasks

From the kick-off of the OD process, it will be agreed with everyone who is responsible for what activity related to the OD plan. The tasks are clearly assigned and divided. The OD coordinator (the person charged with coordinating and monitoring the OD plan, see factor 1) ensures timely implementation according to the plan's objectives, results, activities and timeline and reports to the whole team and the management.

Caritas Slovenia: *'It was important that the staff was regularly informed about the project activities and project results. Employees were actively involved in project activities. For example in drafting the documents (law matters, policy), relevant personnel from the office participated in the process since the beginning. In that sense ownership of documents were gained.'*

The executives and senior managers have an additional important role to play towards the employees, because staff members want to hear from them about the need for improvement and want to be involved in the achievement thereof. Participation of people working on specific themes will be just as important because of their thematic knowledge and skills.

Example: People working with persons with disabilities, domestic violence or in care can contribute with their experience to a safeguarding policy. They are already

experienced in issues related to violence and have a clear understanding and knowledge about the topics that need to be covered by the policy.

The ownership felt by all staff will contribute to positive action. In this way, a well-coordinated OD approach has good chances to bring about the needed change in an organisation. It is through the collective impact of successful individual actions that the organisation achieves its change objectives and realises its desired improved functioning.

3. Support and commitment of management



The active and visible participation of the executive director, the senior management as well as

the governance in the planning for organisational development is a prerequisite for the success of any OD process. Leadership needs to understand and agree with **WHY** the

changes are needed, **WHAT** exactly these changes are, **HOW** the identified changes will be brought about, and by **WHOM**.

This will facilitate the entire process, from the design of the plan with timeline, tasks and responsibilities to the designation of the coordinator, the implementation, its monitoring and the reporting.

Caritas Romania: 'The CDF helped Caritas Romania to revise their internal structures and internal documents. We were able to mobilise the Board of directors and now have statutes in line with CI.'

Even if the circumstances change, an OD plan should not be pushed to the background but needs to stay a priority of any committed leadership. It may happen that plans need to change and that financial means are needed to redirect activities to prioritise something more urgent. A supportive and understanding leadership will make an informed decision that will not jeopardise the OD vision for the organisation, but will use even emergency situations as a test for the organisational needs.

Example: Internal changes in management and/or governance can occur that result in the new management questioning the OD process launched; Turnover can suddenly be high with trained staff leaving; There may be an unexpected emergency that interferes with initial plans... Management and board members (governance) have to be aware of the importance of the OD within the organisation and their key role of ensuring that OD processes are institutionalised!

Caritas Ukraine: 'At the start of the CDF project, it was driven by a PR Manager only. In the second year of implementation, the situation has completely changed. There is understanding of the need for strategic planning, structured organizational development and proper reporting. President and Secretary General initiated a number of processes and instruments in the field of OD, regular meetings of local Caritas directors, regular Partners meetings, Board meetings, Management Team meetings, staff meetings, strategic planning sessions, are among these initiatives.'

Management has an important role in ensuring ownership of the team for the actions leading to the desired changes. Moreover, management needs to show and live the importance of the process: The active and visible participation of the executive leader and the senior management is recognised to be hugely important for the success of change management.

Example: Staff members are enthusiastic about contributing to OD. They participate in trainings and engage in internal working groups to improve the organisational set-up. It is the role of management to ask for regular updates and to give feedback to what has been elaborated by the team, otherwise the OD efforts (and the participatory process) will stay theory.

4. Holistic approach to OD



A holistic approach is about understanding the purpose of an intervention through connections

to the community, values and general goals of the organisation. In other words, when we talk about a holistic approach in organisational development (OD), we do not consider the ODSS as the one and only tool to strengthen and transform our organisations. ODSS is **one tool among many** that helps us to reach the goals we have set in our organisation to make change possible.

Organisational development is about change, and change very often creates insecurities. That is why it is important to build our new organisations on a strong basis and use the assets we have, inside the organisations (staff, knowledge, attitudes, spirit, ...) and outside of them (Caritas network, other civil society organisations, EU/governmental support, ...).

When applying a holistic approach, we assess the need for change at different levels in-, and outside the organisation. We address questions such as:

Examples of questions we address at the 'inside level':
What kind of capacity building do we need in our organisation? How can we keep knowledge in the organisation? How do we create commitment among staff members towards the values of the organisation? How can we increase involvement and participation of staff members at all levels and create commitment towards the organisation and the identity of Caritas?

Examples of questions we address at the 'outside level':
Which processes and structures are necessary to create accountability towards beneficiaries and donors? How can we adapt to new requirements in the network, in the state, in the societies? What is expected from us to fulfil CIMS?

Macedonian Caritas: *'The CDF project has initiated different processes in the organization. Most important, it promoted team work, the setting up and organizing Caritas Day, and deep self-reflection and self-evaluation of the organization that helped the management to set up new OD priorities for the future. It also affected positively and pushed for establishing external relationships and partnerships with diverse stakeholders (CI members, local NGOs, authorities, donors, business community, etc).'*

The ODSS is a CE tool that helps us to apply a holistic approach. It gives access to knowledge, experience and other resources that exist inside the Caritas family with the aim to create strong organisations. At the same time, the prerequisite is a clear vision / strategy for the organisation, on which we base everything else:

- We cannot rely only on the support through the ODSS, to make change happen inside our organisations. To fulfil the vision, different tools and resources might have to be combined.
- A committed decision has to be taken by the whole organisation for organisational development, containing measures on different levels of the organisation where gaps and/or weaknesses are identified:

Examples of measures:

- Capacity building (maybe through the support of the Caritas Europa learning paths, network partners or external training providers in the country),
- Restructuring (maybe supported by good practise provided by partners or through external consultants in the country),
- Development of new policies and guidelines (maybe supported by network partners or external consultants),
- Increased fundraising (through advocacy in the country and based on good practise from the network),
- Networking in Europe and in the country, new partnerships and similar.

Caritas Czech Republic: *'The established HR processes and regulations will allow us to effectively care for our employees which should result in their contentment and thus in better stability of the organisation.'*

The ODSS can contribute to reaching the new goals that we set for our organisations – through applied solidarity in the network –, but it will never be sufficient to entrust the success of OD only to the restricted possibilities of ODSS. Therefore, it is important to keep in mind that organisational development

for our organisations is not only the implementation of a single ODSS project, but a process that involves the whole organisation, its networks and stakeholders; and that will continue even after the end of ODSS.

Caritas Bulgaria: *'CDF is very helpful especially for small national member organisations which help them for better functioning and serving of the local MOs.'*

5. Clear and realistic aim



The OD plan aims to address the gaps and weaknesses of the organisation.

For an OD plan to have the best chance of succeeding, and lead to tangible results, its objective has to be clear and realistic. Its implementation requires great care.

Realistic aim: The OD plan should not be too ambitious, this is important to be efficient. The most important priorities for the future of the organisation need to be carefully identified, taking into account both the reality of the organisation and its vision. For this reason, it is very helpful to anticipate and think ahead with both governance and managers using the CIMS self-assessment and the improvement plan as guidelines.

In his message to Caritas of October 2015 Pope Francis wrote about Management Standards: *'These instruments must now be applied to strengthen the transparency and credibility of Caritas. Let us remember that we are accountable to God, to the Church, to the donors and in particular, to the poor with whom the Lord identifies Himself. By serving them with humility, dedication, self-denial and professionalism, we promote the Church's mission of forming one human family, caring for creation.'*

Then, focus on a few concrete goals. The more realistic the objectives are, the greater the chances of achieving the expected results and changes. Be careful not to underestimate the pace of change. It takes time to put an OD plan into practice (see 7. Progressive planning and OD).

Examples of questions to consider:

- What are the most important issues (structures, pro-

cesses, procedures) that need to be tackled?

- What is the most efficient way to contribute to strengthen the organisation?
- What concrete results do we want to achieve in three years?
- What actions have to be undertaken to reach them?
- Which kind of expertise do we need to implement the plan?

Caritas Kosovo: *'With a clear OD plan, it was possible for Caritas Kosovo to promote its mission and action in different directions and in a controlled way.'*

Clear aim: For an OD plan to bring about the desired changes, there are a number of prerequisites. The whole process should be clear and precise. The objectives (preferably not too many, and as already mentioned, realistic) must be clearly defined, the (concrete and tangible) results need to be described in detail and it has to be indicated what changes are expected and what the activities are that will make these changes happen. Activities will lead to outputs: Information on what will be done with the outputs produced is also needed.

Indicators are the basis for monitoring and reporting. They allow to assess to what extent the results, objective and goals have been achieved. In order to be able to monitor the process and document the results, strong and precisely defined indicators are required. The more precise the objectives, results and activities are described, the easier it will be to identify meaningful indicators.

A logical framework (log-frame) allows you to frame all these elements in a clear and logical way that will make it easier to follow up on the OD plan.

The monitoring process is very important and has to be taken

seriously. A sound monitoring and evaluation system is a key success factor for the implementation of the OD plan. It ensures control of the process and makes it possible to introduce changes whenever needed.

6. Broad group participation in OD



Our organisations are the people in it.

We can then say that organisational development is 'using organisational resources to

improve efficiency and productivity to reach the organisation's objectives and goals'. The more engagement and commitment from these resources can be gained in the OD process, the better the chances of achieving the desired outcomes are!

Caritas Slovenia: 'Through implementation of CDF we found out that it is very important that all team of CS is included in OD. OD is a process involving all. [...] The CDF has a big impact on Caritas Slovenia. First of all the CDF project was well accepted among all staff in national office as well on diocesan level. Employees and volunteers of Caritas Slovenia are aware of importance of organisational development. It was very important that CDF project got ownership. This can be contributed to the involvement of great number of people into drafting phase of the project and involving staff through the life time of the project into activities like drafting documents, participating at the workshops.'

Broad participation means active involvement in the process of people from the organisation's different levels (vertically) as well as from the organisation's different departments/units (horizontally) dealing with very different themes and carrying out very different activities. Ideally, participation from both the national and diocesan structures is ensured – even if this will of course depend on the phase, the scope, and the objec-

tive(s) of the OD plan.

Governance too has to identify with and support the OD process and its outcomes. In many countries it is crucial to secure the ownership of the ecclesiastical authorities: at least that of the Bishop responsible for the national Caritas.

*'The Directory for the Pastoral Ministry of Bishops explored more specifically the duty of charity as a responsibility incumbent upon the whole Church and upon each Bishop in his Diocese.'*²

² Pope Benedict XVI, *Deus Caritas Est*, § 32

The OD Coordinator will coordinate the process with its different phases and related activities (see also factor 7) and, with

support from management will make sure that all involved play their roles and take their responsibilities.

Caritas Kosovo: 'The approach on which OD is prepared is that of extensive participation in order to distribute responsibility and ownership.'

The benefit of broad participation in the OD process is that people working on different themes can have complementary ideas and opinions on what the organisational weaknesses are; what changes are needed. Staff from different levels in the organisation or working on different topics will see things from different angles and will contribute complementary views and approaches to finding the solutions. Moreover, all involved will get a better understanding of the organisation when listening to each other's insights.

Having this broad participation in the different phases of the OD process is likely to ensure the feeling of shared ownership

across the organisation: staff feel personal responsibility for getting the plan done!

Example: Participation motivates to find and implement solutions. When an organisational strategic framework is developed with broad participation this framework can truly be felt to be one's own and not donor driven.

The rewarding part is that when the changes start to be visible people will have understood the process they will have been 'trained' in organisational development by having gone through it consciously.

Caritas Russia: 'The main conclusion that we made when we started working on the Plan of Development was: We need a strong management team in regions of Russia to be effective. The team working on the OD plan consists of the regional coordinators and directors of different Caritas Offices. We cannot exclude their contribution to the project.'

Whom to involve in the whole process will obviously depend on the size of the organisation and the scope of the OD plan. Does the plan address a gap to be filled in the National Caritas, or does the identified weakness concern the whole National Car-

itas network including the diocesan Caritas organisations? In general, it is essential that it is a transparent, fair and participatory process involving various individuals and groups within an organisation to enhance ownership of the outcomes.

7. Progressive planning and organisational development



When making an Organisational Development (OD) plan for the first time, it is good to start from

seeing what is already available in the organisation to build on. Probably the best and easiest thing for Caritas members to start with is to use CIMS self-assessment tool in a participatory way. The results of the assessments can easily be transformed into an OD plan.

Once the OD plan is approved by the management of the organisation and responsibilities have been allocated, the im-

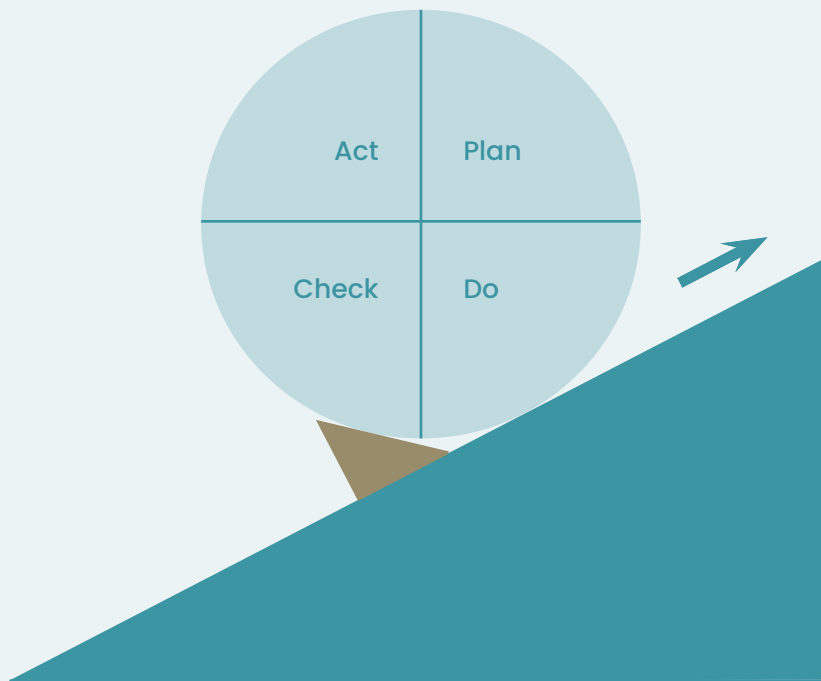
plementation of the plan can start. It is normal that not all parts (objectives/results) of the OD plan will run equally smooth and come to sustainable results. At the same time, in other parts, quick results with high impact can be achieved.

There will also be moments when not much will happen because of other elements interfering in the process (changes of staff, an institutional crisis, social-political changes, an emergency in the country, other priorities for the management ...). There can also be factors contributing to positive changes and allowing faster or unexpected progress (new projects, additional funding, new staff members with other competences ...).

Caritas Serbia: 'During the last four years Caritas Serbia has gone through many changes, related to the big emergencies and changes in personnel. The CDF program had an organized approach to the growing needs of the development of Caritas Serbia and made it possible to follow the OD in different steps, in spite of the difficulties. Without it, it would be even more difficult to focus on the OD within the different humanitarian crisis that Caritas Serbia was facing and responding to in the previous four years.'

Example: Even in the course of implementation it is extremely important to monitor the OD plan regularly: to check whether the results were achieved as planned in the OD plan, and if they are effective sufficient and still relevant. If not, maybe you should look for other solutions, modify the plan, adapt the timing, further analyse the problem and its roots, organise additional training, add resources etc.

The process of organisational development is a **cyclical process**. The 'Deming wheel' hereunder (called after W.E. Deming) describes four phases of the OD process: situation analysis, self-assessment and planning (Plan); implementing the plan (Do); assessing the suitability of the solutions that were introduced (Check); and act (or react) to correct or improve the solutions if necessary (Act).



It is very important to ensure that the results/solutions actually become new practices in the organisation. It will happen that changes are introduced during the process, but that later there is a step back towards the 'old' ways. It is important to realise that change is not easy and that there can be **resistance** (which is quite normal). That is why there is a wedge on

the picture that prevents the wheel from rolling back down the slope. Organisational development is a slow process and it is important to be aware of that. It is equally important to look back regularly and to see where the organisation comes from and in which area's progress has been made.

Caritas Russia: 'Big progress in organisational development was achieved. 10 years ago the regions did not even understand OD processes. All structures of Caritas in Russia have been clarified (statutes, role and functions), we now have common policies and procedures. Standards have improved. CIMS are implemented in all Russia. There is a coordinator in each diocese. The national strategic framework (2018-2022) has been approved by the Board. Now we know where we are and where we are going. CDF helped us to find a way how to collaborate together with offices that are so different. We had no common strategic plan for 5 years. Now we have it.'

Organisational Development is also a **never ending thing**. Contexts will change, new challenges and expectations will arise, new tools and technologies will appear, new staff or

leadership will arrive ... by building your new OD plan on the foundations of the previous one, your organisation will become a **learning organisation** able to adapt to new situations.

Caritas Latvia: 'CDF helped to develop a new understanding of the organisation, to be and stay a learning organisation.'

