**Overview: Organizational Development Framework**

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| ***Organizational Area*** | ***Stage 1***  ***Creativity/Startup*** | ***Stage 2***  ***Direction/Establishment*** | ***Stage 3***  ***Delegation/Institution*** | ***Stage 4***  ***Consolidation/Permanence*** |
| **Organizational Growth Issues** | Survival/become known | Expand range of services  Build infrastructure | Develop strategic approach  Examine lines of business | Retain mission focus  Continue to reinvent organization |
| **Culture Characterized by** | Family or Movement | Growth in many directions leads to “dysfunctional family” | Formalized relationships, team identity, competence | Aligned culture through organization, desire for performance, shared leadership |
| **Top Leadership Characterized by** | Individualistic | Directive | Delegative | Communicative |
| **Organizational Structure** | Informal | Centralized, functional divisions | Decentralized, cross functional teams | Streamlined for Effectiveness |
| **Organizational Systems** | Few systems | Basic systems | More sophisticated systems | Major investment in systems/technology |
| **Resources** | 1. Few sources of operating revenue 2. Limited capital | 1. More diverse revenue/capital sources 2. Beginnings of earned income | 1. Repeat/multi-year funding/capital sources 2. Access to larger sources | 1. Approaching self-sufficiency 2. More sophisticated capital |
| **Product/Program** | 1. Single product 2. Basic approach | 1. Multiple products/programs 2. Develop more sophisticated approach | 1. Eliminate some products/programs 2. Performance standards/trend analysis influence product design | 1. Focus program on core competencies 2. More sophisticated analysis of environment/trends |
| **External Relations** | Activist | Reactive | Recognized | Proactive |
| **Growth Issues** | Crisis of multiple roles | Crisis of Direction | Crisis of Control | Crisis of Meaning |
| **Transition Characterized by** | Mourning over loss of activism | Mourning over loss of family | Mourning over loss of access to director | Fear of loss of focus on principles and creativity |

**Changing Leadership and Organizational Culture**

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| **Management Focus** | The Cause Raising Funds/Interest | Growth | Operational Efficiency | Consolidation |
| **Executive Director’s Focus** | DO EVERYTHING | BE OPPORTUNISTIC  Let go of technical pieces | DIFFERENTIATE between leadership and management | EXTERNAL FOCUS |
| **Board’s Focus** | Issues of formation, Operational details | Issues of program, structure | Issues of market, relationships | Issues of strategy, long-term value |
| **Board Membership & Structure** | 1. Founders 2. Board & Loan Committee 3. Function as staff | 1. Recruit expertise & relationships 2. Add Committees: Executive, Personnel, Fundraising, etc. 3. Sounding board for ED | 1. Recruit Leaders 2. Add Finance Committee 3. Strategic Planning | 1. Recruitment as ongoing function 2. Streamline and reorganize committee structure 3. Long term vision and performance |
| **Communication Style** | 1. Face to Face 2. Persuasive; Leader’s Personal Style 3. Executive Director and Board Leadership | 1. Staff Meetings; limited written materials 2. Beginnings of organizational positioning and image 3. Executive Director and Fund-Raiser | 1. Team Meetings; more written memos and e-mail 2. Professionally produced communication materials 3. Dedicated communications staff person | 1. Use technology for internal communications; publications for external purposes 2. Communications Plan & Network in place; Clear leadership position on key mission issues 3. In-house communication staff with Executive Director |
| **Culture characterized by** | Family or Movement | Growth in Many Directions leads to “dysfunctional family” | Formalized relationships, team identity, competence | Aligned culture through organization, desire for performance, shared leadership |
| **Diversity** | “Everybody looks alike” | Work differentiation: Diversity of skills, experience | Diversity in work styles/goals issues emerge | Diversity in management issues emerge |

**Changing Systems and Resources**

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| Organizational Structure | Informal | Centralized, functional divisions | Decentralized, cross functional teams | Streamline for effectiveness; re-engineering possible |
| Financial Resources | 1. Few sources of operating revenue 2. Limited capital 3. General Operating Support 4. Beginnings of earned income | 1. Program- or project-specific funding 2. More diverse revenue/capital sources 3. Earned Income begins to be significant | 1. Multi-year funding/capital sources 2. Access to regional, national sources  * Increasing earned income | 1. Focus on large, stable funding sources, selective about funder requirements 2. More sophisticated/complex capital structures 3. Approaching self-sufficiency |
| Human Resources | 1. Hire grassroots commitment 2. Small, core staff; some work done by Board, volunteers 3. Little turnover in Staff or Board. HR practices/policies undocumented and dependent on leadership | 1. Hire technical expertise/skills 2. Add program staff, make part-time, volunteer positions full-time 3. Turnover remains low; beginnings of documented HR practices/policies | 1. Create teams/hire professional qualities/values 2. Add middle management 3. May lose core Staff or Board; may experience HR issues, including employee complaints. HR practices/policies consistent and documented | 1. Emphasize long-term staff development/succession strategy 2. Restructure or split positions vs. adding staff incrementally 3. HR practices/policies control turnover, complaints. Employees have voice in resolving HR issues. |
| Internal Rewards | Mission/Meaning | Increases in Salary/Benefits | Autonomy, Career Ladder, Titles | Sabbatical, other professional development, external roles/focus |
| Organizational Systems (General) | 1. Few systems 2. Experimental processes 3. Results-oriented measurement | 1. Basic systems 2. Beginning of documented processes 3. Articulated performance measurement standards | 1. More sophisticated systems 2. Institutionalized processes 3. Regular monitoring/ reporting of performance with trend analysis | 1. Major investment in systems/technology 2. Long range planning feeds re-engineering of processes 3. Interpret performance trends, reach for higher standards; institutionalize feedback loop |

**Changing Systems and Resources**

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| **Financial Systems** | 1. Largely manual systems, some spreadsheets 2. Few or no internal controls, one-drop staff 3. Beginner Auditor 4. Back-of-envelope budgeting by Director 5. Basic reporting 6. Board involved in details | 1. Non-compatible PC-based systems 2. Some internal controls, add financial staff 3. May change auditors for better fit 4. More formal budgeting using historical data 5. More complex reporting 6. Board may form Finance Committee | 1. Consolidate financial software 2. Established internal controls 3. Develop relationship w/ auditor 4. Defined budget process with staff involvement and clear goals 5. Consolidate reporting 6. Board streamlines information needs, delegates to Finance Committee and Staff | 1. Upgrade financial software, possibly customize 2. More sophisticated controls to keep up with technology 3. Work w/auditor around more complex financial structure 4. Strategic budget process with trend analysis and multi-year projections 5. Automate/streamline reporting 6. Board looks at key, strategic financial indicators |
| **Human Resources** | 1. Payroll/taxes (basic) 2. No formal timekeeping 3. No written personnel policies (understood) 4. Recruitment/ad hoc 5. Minimal or no personnel files, job descriptions, or evaluation process | 1. Payroll/taxes automated 2. Basic timekeeping for legal requirements 3. Basic written personnel policies, focus on culture 4. Beginnings of consistent hiring system, recruit diversity in Staff and Board 5. Supervisor keeps “personnel” files; broad job descriptions (may be outdated); subjective evaluation process | 1. Payroll may be outside service 2. Timekeeping for legal grant requirements 3. More rigorous personnel policies to protect organization, employees 4. Use wider ranges of recruiting media, interview techniques; incorporate legal requirements in hiring and orientation 5. Standardized, legally sound job descriptions & personnel files; written, collaborative evaluation process | 1. Payroll (hire/retain expertise) 2. Timekeeping for legal, grant requirements, staffing/program analysis 3. Policies may be amended to include sabbatical, other new retention benefits 4. Accumulate pool of internal and external candidates 5. Institutional relationship between job descriptions, performance review, and organizational goals |

**Changing Programs, Changing Relationships**

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| **Product/Program** | 1. Single product 2. Basic approach | 1. Multiple products/programs sometimes based on funding 2. Develop more sophisticated approach | 1. Eliminate some products/programs 2. Performance standards/trend analysis influence product design 3. Develop more systematic approach to new products, new markets | 1. Focus program on core competencies 2. More sophisticated analysis of environment/trends 3. Ability to quickly take advantage of market opportunities |
| **Focus of Performance** | * Individuals | * Programs | * Whole organization | * Impact/Public Outcomes |
| **External Stimuli** | 1. Develop understanding of environment, key players 2. Overcome skepticism | 1. Environment provides multiple opportunities 2. Key players may be overconfident in organization’s abilities | 1. Build partnerships with movers and shakers 2. Recover from earlier mis-steps | 1. Partnerships become more creative, established 2. YOU become a player |
| **Staff /Management Structure** | * Do what needs to be done * Little division of labor * Learn on the job | * Staff divisions (and new hires) by programs * Greater specialization * Learn from experience, peers, conferences | * Staff division by lines of business * Beginnings of middle management * Beginnings of institutionalized learning | * Staff divided by lines of business / long term goals, more cross functional teams * Complete management structure * Formalized internal and external training |
| **External Relations** | ACTIVIST: Competition, making “shelf space” | REACTIVE: Achieving public visibility and responding to public pressure | RECOGNIZED: develop institutional relationships and partnerships | PROACTIVE: become a player with ability to collaborate and possibly spin off other organizations |
| **Growth issues to next stage** | Crisis of multiple roles | Crisis of Direction | Crisis of Control | Crisis of Red Tape |
| **Transition Characterized by** | Mourning over loss of activism | Mourning over loss of family | Mourning over loss of access to Director | Mourning over loss of focus on mission (potentially) |