Webinar:
Weaving Change Capability into the Fabric of the Organization

April 26, 2016

PRESENTERS:

Chris Worley, CEO Senior Research Scientist, NEOMA Professor of Strategy
Sue Mohrman, CEO Senior Research Scientist
Becky Spears, Oracle Leader of OD Consulting Practice
Seminar: Beyond Change Management - Accelerating Transformations and Building Agile Organizations

June 14-16, 2016
Los Angeles

with Chris Worley and Sue Mohrman
Guest Speaker: Kristen Bruner (Boeing)

https://ceo.usc.edu

In this workshop, you will learn how to
• Accelerate large-scale transformational change
• Design high impact interventions in complex change situations
• Build the capacity to continually change and adapt throughout the organization
• Leverage culture, values, and identity
• Build change into the core processes of your organization
Dr. Christopher G. Worley
CEO Senior Research Scientist
Professor of strategy at the NEOMA business school in France

Some of Chris’ focuses

• Strategy formulation and implementation
• Organization design
• Longitudinal evaluation of strategic change
• Agility
• Sustainability and how to design complex collaborations to foster it
Some of Sue’s focuses

• Widely known for organization design and effectiveness and large-scale change research
• The design of knowledge-based firms
• Knowledge creating systems
• Sustainability and how to design complex collaborations to foster it
• Examination of the research process itself
• How to create academic/company partnerships to yield useful knowledge
Some of Becky’s focuses

• Leader of OD Consulting Practice in Oracle’s OTD (Organization Talent & Development Group)
• OTD Global Solutions—Organization Strategy, Assessment, and Design
• Organization Agility and Change Leadership
• Team Effectiveness
• Talent Management
• Leadership and Professional Development
• Top Talent Development
• HR Communications and Information Services

Becky L. Spears
Oracle Corporation
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Too often, organizations think about adapting instead of how to become adaptable

- Agility is a dynamic capability that enables timely and effective organization changes in response to internal and external environmental shifts and disruptions. It yields consistently above average levels of effectiveness.
- Agility is about adapting over and over again, and no firm can be called agile unless it can demonstrate the ability to change repeatedly.
The Requirements

• To embed ongoing change and design into the fabric of an organization requires:
  – Setting an appropriate context
    • An agile design
    • Shaping organization identity over time
  – Transitioning from traditional to continuous change processes
    • Designing and implementing centers of excellence
    • Reinforcing continuous change with appropriate change processes
Organization design is the key to agility

- **Adapt**: Change better than others
- **Differentiate**: Be better than your peers (for now)
- **Survival**: Be like the best
Organization design is the key to agility

- Adapt: Change better than others
- Differentiate: Be better than your peers (for now)
- Survival: Be like the best
Star Model

Adapted from: J. Galbraith
Organization Identity

The values that drive behavior and the stories we tell ourselves about ourselves

• Who we are
• Our central, enduring, and distinctive character

Our perception of the promises we make and the experiences people have working with us

Identity is not a vision or a BHAG to be accomplished, nor is it aspirational

Source: Hatch and Schwartz
How does your organization assemble the needed organization design resources to be agile in today’s environment?

What challenges do you face?
Strategy, Design, and Capability

Adapted from J. Galbraith (1994)
How do Organizations Develop New Capabilities?

Talent and Knowledge

Organization Design

Implementing and Learning
Change and design - a symbiosis

Awareness

Monitoring

Engagement

Design

Tailoring
Change and design - a symbiosis
Building Organization Agility at Oracle

Becky Spears
Organization Development Consulting Practice
Oracle Human Resources
April 26, 2016
SIMPLIFY IT
Cloud, Big Data, and Engineered Systems
Benefits of a Complete Integrated Stack

- Better productivity
- Better performance, reliability, security
- Shorter deployment times
- Easier to manage, upgrade, and change
- One-stop support
- Lower cost of ownership
Oracle’s Cloud

More Than 62 Million Active Users/Day

More Than 23 Billion Transactions/Day

#2 SaaS Provider in the World

More Than 200 Countries

15 Years Managing Enterprise Clouds

19 Global Data Centers
Who ODC is Today ... a Global OD Consulting Team
Our “before agility” OD Consulting Offerings

Organization Development Consulting
- Organization Strategy
- Organization Design
- Organization Assessment
- Organization Change
- Acquisition Integration
- Team Effectiveness

Talent Management Consulting
- On-Boarding
- Career Planning
- Workforce Planning
- Talent Management and Succession Planning

Development Programs and Consulting
- Professional Development Programs
- Top Talent Development Programs
- Accelerated Development Programs
- Leadership Development Programs
- Custom Solutions

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Building Organization Agility

Moving Beyond Traditional Change Management to Succeed in a VUCA* World

ODC Agility and Change Solutions Team
Becky Spears, Christine Barnes,
Paula Day, Sandy Elvington

Release 1.0: August 2015

* VUCA = Volatile, Uncertain, Complex, Ambiguous
Why Is Organization Agility such a Hot Topic Today?

Requirements for Successful Organization Change Are Shifting ...

- Stability = Effectiveness
- Change = Enemy
- Performance Driven by Change Cycles
- Focus on Efficiency

- Change = Effectiveness
- Stability = Enemy
- Performance Resulting from Adaptability
- Focus on Agility, Speed
VUCA

Share some examples of what you’re seeing today ...

Volatility
(changing faster and faster; stability a myth)

Uncertainty
(Economy? Technology? Consumers? Markets?)

Complexity
(tiny changes trigger vast, unexpected change)

Ambiguity
(no “straight” answers; need to back up and see the entire system)

More than ever before, businesses need to rely on people to think it through at the micro level. Increased focus on making sure everyone has sufficient information to make quick decisions. Companies update their strategies more frequently, seeking to be more agile.
Agility Requires Continuous Change
Change Takes Different Forms ...
Building Organization Agility

This model is based on research by the USC Center for Effective Organizations.

SAMPLE FROM OUR AGILITY SOLUTION
Organization Agility Components

Changing Mindsets  Managing Change
Mental Impact of Continuous Change

Traditional change practices assumed a progression with separate tools by phase; And a return to stability

Continuous change means managing overlapping transitions; Mindset adaptability is key
Mindset Change: Understanding the Business Impact

• Let’s look back at our earlier brainstorm session:
  To what degree do the changes we identified require a change in mindset?

• Here are some examples from work at Oracle:

<table>
<thead>
<tr>
<th>Focus</th>
<th>Current</th>
<th>Emergent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Development</td>
<td>Focus on knowledge</td>
<td>Focus on adaptive learning</td>
</tr>
<tr>
<td>Managers</td>
<td>Rely on IT for tech solutions</td>
<td>Understand, select tech solutions</td>
</tr>
<tr>
<td>Organizations</td>
<td>Large teams, central locations</td>
<td>Globally distributed small teams</td>
</tr>
<tr>
<td>Sales</td>
<td>Selling Technology</td>
<td>Selling Business Results</td>
</tr>
<tr>
<td>Marketing</td>
<td>Market to Customers</td>
<td>Market to Influencers</td>
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<td>Business Partner (Function)</td>
<td>Identifies Issues</td>
<td>Offers Solutions</td>
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<tr>
<td>Technology Group</td>
<td>Best Individual Products</td>
<td>Integrated Product Solutions</td>
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<tr>
<td>Support Group</td>
<td>Technical Expert</td>
<td>Client Advisor</td>
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</table>
Leading in a Continuously Changing World

- Clarify evolving business mindsets
- Identify what must change now
- Ensure timeliness, speed
- Select and simplify change practices
- Involve people in seeking the next change
Launching Agility Solutions

What’s Worked?
• Changing the language
• Enthusiasm, Initiative
• Participants start re-examining what they do
• Identify businesses/clients ready for deeper work

Challenges
• So many agility articles!
• Different definitions of key words, even organization agility
• Clients want a list of quick actions
• Cultural acceptance that “fast” doesn’t equal “agile”
What Is Organization Agility?

“The capacity to identify and capture opportunities more quickly than competitors do”

McKinsey
2009

“The organization wide capability to make timely, effective, and sustained change.”

Chris Worley
USC CEO 2014
Organization Agility and our OD Offerings

**Timely, Effective, Adaptive**

- Fit within the business context
- Nimble interventions
- Solve the problem(s) the business must solve now, and
- Prepare for new solutions tomorrow

**Organization Agility**

- Team Effectiveness
- Organization Change
- Organization Design
- Organization Assessment
- Organization Strategy

**Cross-Organization Collaboration**

**Acquisition Integration**
Our “emerging” OD Consulting Offerings

- Talent Management and Succession Planning
- Workforce Planning
- Career Planning
- On-Boarding

- Organization Agility
  - Team Effectiveness
  - Organization Change
  - Organization Design
  - Organization Assessment
  - Organization Strategy

- Development Programs and Consulting
  - Custom Solutions
  - Leadership Development Programs
  - Accelerated Development Programs
  - Top Talent Development Programs
  - Professional Development Programs

- Cross-Organization Collaboration
  - Acquisition Integration
Integrated Cloud
Applications & Platform Services
Developing Organization Design and Change Capabilities: Learnings from Research

Organization Design and Continuous Change are not currently strong capabilities in most organizations, HR functions, and even of many OE/OD professionals. It requires...

• Compatible models, frameworks, and perspectives that support and reinforce continuous change and redesign in the organization
• Deep knowledge about the content and process of organization design and change
• Development through formal training and through practice
• Nurturing through communities of practice
• Line managers in the organization to understand design as an expertise that is integrated into how strategic change and performance happens
• A strong internal consultation capability and connection to the business
• Collaboration/integration and teaming with other change oriented capabilities such as process expertise, strategy formulation, talent development