

# Organizational Development Exercise

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## Organizational Development Exercise

### Background/Rationale

The OD Exercise is one of the major reform initiatives of the RCSC. The OD Exercise is undertaken as per the requirement of CSAB 2010 and also in line with the Cabinet Order issued via letter No. C-3/11/216 dated 27th December, 2013. Periodic OD Exercise is necessary to ensure that the Government is organised optimally and that agencies mandates are aligned to support the achievement of national development objectives and that human resources are optimally utilised.

The OD Exercise aims to address a number of issues beginning with the general perception, and also as reported by the Interim Government, that the Civil Service is bloated with inherent duplication of services and the challenge of territorialism resulting in inefficient delivery of services and high costs.

Therefore, there is a need to review the mandate of Agencies to align the goals of Agencies to the national goals, improve public service delivery and rationalise human resources. While there may be large expectations from the OD Exercise, from the RCSC's perspective, the exercise was to look at the following issues that appear to be the major areas of concern:

- Is the Government large – in terms of number of people versus governmental obligations?
- Is there good alignment between national goals, objectives and departmental targets and individual work plans and job description?
- Are people being used optimally?
- Is the Government organised optimally?
- Are there redundant organisations and positions?
- Are there areas where government should not be involved?

#### 2.1.1 OD Methodology

In order to sustain the process in the agencies and build such capabilities in the Civil Service, an OD Team was formed, composed of HR professionals as well as other civil servants from selected Agencies. The team members were trained in the Asian Institute of Management, the Philippines and at the RIM. Following the training, they were divided into smaller teams and worked in close collaboration with the management and employees of the various Agencies. The first output of this group was the OD Guidelines, developed by the team under the overall direction of the Commission and rolled out to the Agencies.

The main framework used for the OD Exercise was the 7S framework – see Box 1, below for a brief explanation. Secondly, the issues and key findings of the OD Exercise were vetted from various perspectives, and authenticated using different lenses to ensure higher level of validity. Some of the main instruments used in the OD Exercise include:

- Maintaining Daily Log of Activities;
- Organisational Behaviour Survey;
- Focus Group Discussions of relevant stakeholders and clients; and

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- Assessment based on 7S Model.

### **Box 1: McKinsey's 7S Model**

It is a management model used as an organizational analysis tool to assess and monitor changes in the internal situation of organization. The model is based on the theory that, for an organization to perform well, the following 7 elements need to be aligned and mutually reinforcing. It recognizes the full range of elements that need to be changed and focuses on the ones that will have the greatest effects. It is used widely to improve performance of an organization, examine the likely effects of future changes within an organization, align departments and processes during a merger or acquisition, and determine how best to implement a proposed strategy.

- 1 Strategy: Ways to achieve competitive advantage (H)
- 2 Structure: Ways in which task and people are specialized and divided, and authority is distributed (H)
- 3 Systems: Formal processes and procedures to manage the organization (H)
- 4 Staff: The type of employees, remuneration packages and how they are attracted and retained (S)
- 5 Skills: Capabilities to complete different activities (S)
- 6 Shared Values: Summarised in a vision and or mission, this is how the organisation defines its raison d'etre (S)
- 7 Style: The culture of the organisation in terms of leadership and interactions between staff and other stakeholders (S)

H=hard elements  
S= soft elements

The other instruments developed during the OD Exercise include Agencification Principles and Framework, Accreditation Framework and Guidelines, Parenting Guideline and Common Framework for the Local Government.

Finally, all structural related issues of the Agencies were further rationalised using the Agencification Principles and Framework.

### **Implementation status**

As of May 2015, OD Exercise in all 10 Ministries, 5 selected Agencies, 7 Dzongkhags and 3 Thromdes have been completed and OD reports prepared along with recommendations (refer Annexure I: List of 25 Agencies where OD Exercise is completed). The OD Exercise in 2 Agencies and 14 remaining Agencies is currently undergoing (Annex II). The OD recommendations are grouped into three categories:

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- C1 Recommendations - relating to internal systems, processes and configuration of the Agency that can be implemented immediately by the respective managements;
- C2 Recommendations - relating to procedures and systems that are cross cutting in nature and therefore require bilatereal and multi-sector consultations; and
- C3 Recommendations - relating to changes in structure such as bifurcation or merging of departments and transfer of mandates, etc., which require quite extensive ground work and the approval of the Government before they can be implemented.

Upon the approval of the OD recommendations by the Cabinet, the RCSC will conduct bilateral meetings with the Agencies to finalise operational plans, agree staffing plan, and begin implementation of the plans. Special focus will also be given during the implementation phase to institute sound public service delivery system by reducing Turn-Around-Time (TAT), development of service standards and standard operating procedures and simplification of processes, and enhancement of transparency and accountability.

Annexure I: Agencies, where OD Exercise is completed

#	Agency
Ministry	
1	Ministry of Agriculture & Forests
2	Ministry of Economic Affairs
3	Ministry of Education
4	Ministry of Finance
5	Ministry of Foreign Affairs
6	Ministry of Health
7	Ministry of Home & Culture Affairs
8	Ministry of Labour & Human Resources
9	Ministry of Information & Communications
10	Ministry of Works & Human Settlement
Agency	
11	Gross National Happiness Commission
12	National Environment Commission
13	JDWNRH
14	National Land Commission
15	Tourism Council of Bhutan
Dzongkhag	
16	Bumthang
17	Chhukha
18	Haa
19	Paro
20	Samdrup Jongkhar
21	Trashiyangtse
22	WangdiPhodrang

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Thromde	
23	Phuentsholing
24	SamdrupJongkhar
25	Thimphu

Annexure II: Agencies, where OD Exercise is currently undergoing

#	Agency
Agency	
1	National Statistical Bureau
2	Dzongkha Development Commission
Dzongkhag	
3	Punakha
4	Monggar
5	Lhuentse
6	PemaGatshel
7	Trashigang
8	Trongsa
9	Zhemgang
10	Sarpang
11	Samtse
12	Thimphu
13	Gasa
Thromde	
14	Gelephu