ORGANIZATIONAL CHANGE AND DEVELOPMENT

M.A (H.R.M)
Semester-IV, Paper-II

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FOREWORD

Since its establishment in 1976, Acharya Nagarjuna University has been forging ahead in the path of progress and dynamism, offering a variety of courses and research contributions. I am extremely happy that by gaining 'A' grade from the NAAC in the year 2016, Acharya Nagarjuna University is offering educational opportunities at the UG, PG levels apart from research degrees to students from over 443 affiliated colleges spread over the two districts of Guntur and Prakasam.

The University has also started the Centre for Distance Education in 2003-04 with the aim of taking higher education to the door step of all the sectors of the society. The centre will be a great help to those who cannot join in colleges, those who cannot afford the exorbitant fees as regular students, and even to housewives desirous of pursuing higher studies. Acharya Nagarjuna University has started offering B.A., and B.Com courses at the Degree level and M.A., M.Com., M.Sc., M.B.A., and L.L.M., courses at the PG level from the academic year 2003-2004 onwards.

To facilitate easier understanding by students studying through the distance mode, these self-instruction materials have been prepared by eminent and experienced teachers. The lessons have been drafted with great care and expertise in the stipulated time by these teachers. Constructive ideas and scholarly suggestions are welcome from students and teachers involved respectively. Such ideas will be incorporated for the greater efficacy ofthis distance mode of education. For clarification of doubts and feedback, weekly classes and contact classes will be arranged at the UG and PG levels respectively.

It is my aim that students getting higher education through the Centre for Distance Education should improve their qualification, have better employment opportunities andin turn be part of country's progress. It is my fond desire that in the years to come, the Centre for Distance Education will go from strength to strength in the form of new courses and by catering to larger number of people. My congratulations to all the Directors, Academic Coordinators, Editors and Lesson- writers of the Centre who have helped in these endeavors.

Prof. Raja Sekhar Patteti
Vice-Chancellor
Acharya Nagarjuna University

402HM21 - ORGANISATIONAL CHANGE AND DEVELOPMENT

UNIT – I

Organizational Change: Concept and Significance; Managing Change; Concept of Analyzing the Environment; Perspectives on Change: Contingency; Resource Dependence; Population Ecology; Implications of Change.

UNIT – II

Types of Change: Continuous or Incremental Change; Discontinuous or Radial Change; Participate Change and Directive Change; Change Levers; Levels of Change: Knowledge Changes; Attitudinal Changes; Individual Behavior Changes and Organizational Performance Changes.

UNIT – III

HR and Strategic interventions
HRM interventions:- performance management, goal setting, performance coaching, appraising and rewarding, Career planning, workforce diversity interventions, wellness and work-life balance, Strategic interventions: Competitive strategies, collaborative strategies, organizational transformation, culture change, self designing organizations, learning and knowledge management.

UNIT-IV

Organizational Development- Introduction to organizational Development Definition, growth and relevance, history and evolution, Theories of planned change, general model of planned change, different types of panned change and critique of planned change. OD practitioner role, competencies and professional ethics.

UNIT-V

OD process Initiating OD relationship, contracting and diagnosing the problem, Diagnosing models, open systems, individual level group level and organizational level diagnosis; collection and analysis for diagnostic information, feeding back the diagnosed information

PrescribedBooks:

1. Albrecht, K, ORGANIZATION DEVELOPMENT. Englewood Cliffs, NJ: PrenticeHall.
2. Argyris, C, ON ORGANIZATIONAL LEARNING. Oxford England: Blackwell Business/Blackwell Publishers.
3. Bennis, W, ORGANIZATION DEVELOPMENT: Its Nature, Origins, and Prospects. Reading, MA: Addison-Wesley.

4. Bettelheim, B, “INDIVIDUAL AND MASS BEHAVIOR IN EXTREME SITUATIONS,” Journal of Abnormal and Social Psychology.
5. Bowen, D.D., & Nath, R, TRANSACTIONAL ANALYSIS IN OD: APPLICATIONS WITHIN THE NTL MODEL. Academy of Management Review, 3 (1): 79-80.
6. Cummings, T.G., & Huse, E.F., ORGANIZATION DEVELOPMENT AND CHANGE. St. Paul, MN: West.
7. Cummings, Thomas G. and Worley, Christopher G, STRATEGIC INTERVENTIONS: ORGANIZATIONAL DEVELOPMENT AND CHANGE. South-Western College Publishing
8. Foster, M, ORGANIZATIONAL DEVELOPMENT AND CHANGE. South-Western College Publishing
9. French, Wendell L., and Cecil H. Bell, ORGANIZATIONAL DEVELOPMENT: BEHAVIORAL SCIENCE INTERVENTIONS FOR ORGANIZATION. 5th ed. Englewood Cliffs, NJ: Prentice Hall.
10. Pasmore, W.A, DESIGNING EFFECTIVE ORGANIZATIONS. New York, NY: John Wiley.
11. Schein, E. H, ORGANIZATIONAL CULTURE AND LEADERSHIP. 2d. Ed. San Francisco, CA.: Jossey Bass.

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LESSON-1
INTRODUCTION TO ORGANIZATIONAL CHANGE

Learning Objectives

- ✓ To study the Nature of Organizational change
- ✓ To Understand the Essentials of Organizational change
- ✓ To Know the Levels of change
- ✓ To Identify the causes of Organizational change

Structure

1.1 Introduction
1.2 Meaning of Organizational change
1.3 Nature of Organizational change
1.4 Reasons for Changes
1.5 Levels of change
1.6 Essentials of Organizational Change
1.6.1. Organizational Design:
1.6.2. Leadership Capabilities:
1.6.3. Employee Engagement
1.7 Causes of Organizational change
1.8 Manage Organizational Change
1.9 Summary
1.10 Key words
1.11 Self Assessment Questions
1.12 Suggested Readings

1.1 Introduction

Everything you need to know about organizational change. Organizational change refers to the process of growth, decline and transformation within the organization.

Though one thinks that organizations are enduring structures in a changing society. However, the truth is that organizations are changing all the time. Organizational change takes different forms.

Sometimes, organizations change quite radically yet retaining their name; the new organization may be nothing like the old one except in the name.

All this makes organizational change a complex and confusing phenomenon or a process. It is much more complex than normal human behavior.

Change is a part of life and provides opportunity for growth. It is a conscious decision by the management of organization.

In any organization, we have people engaged in production, research, development, administration, etc. The organization in order to change should prepare a stock of the situation and should effect change in their attitude and style of functioning.

1.2 Meaning of Organizational change

In general sense, change is to make or become different, or give or begin to have different from. For instance, postwar recovery of Japan to its present state of supremacy is a

significant change, though influenced to a great extent by American openness, generosity and leadership in the process of change.

Today, Americans are learning from the Japanese as to how to retain competitiveness in the global markets a classic example of what change is all about. Even Dr. P.E. Drucker wondered as to whether he is writing for American economy or Japanese. Change also means dissatisfaction with the old and the belief in the new.

Dissatisfaction can arise out of a perceived deficiency in an existing system which may be inherent deficiency gone unnoticed or one perceived in comparative evaluation with better system.

Deficiency is also the inability of a system to respond to environmental pressures and technological impacts. Change underlines qualitatively different way of perceiving thinking and behaving to improve over the past and the present.

Change is the alteration of status quo or making things different than before. Change is the disturbance of equilibrium presently prevailing. It is any alternation that occurs in the overall work environment of an organization.

Mr. John Bull defines organizational change as "When an organizational system is disturbed by some internal or external force, change frequently occurs. Change as a process, is simply modification of the structure or process of a system. It may be good or bad, the concept is disruptive only".

Organizational change refers to the process of growth, decline and transformation within the organization. Though one thinks that organizations are enduring structures in a changingsociety. However, the truth is that organizations are changing all the time. Organizational change takes different forms.

Organizations may change their strategy or purpose, introduce new products or services, change the way they produce and sell, change their technology, enter new markets, close down departments or plants, hire new employees, acquire other organizations become acquired by other organizations and what not ! In doing so, they may turn larger, smaller or stay the same in terms of size.

Sometimes, organizations change quite radically yet retaining their name; the new organization may be nothing like the old one except in the name. All this makes organizational change a complex and confusing phenomenon or a process. It is much more complex than normal human behaviour.

The rapidity of change taking place in the social, political and economic environment is creating marked impact on organizations as well as individuals. Though the change has been coeval with human existence, the pace of it has varied in recent times—most of the developments we witness now have been taking place in the last 100 years and is likely to accelerate in the present century.

What is different now is that pace of change. The present day changes have been more rapid, more complex, more turbulent and more un- predictable than ever before and have effected the very traditions of human existence. In his insightful book future shock Mr. Alvin

Toffler argued that humanity is now a part of an environment so unfamiliar and complex that it is threatening teeming millions with 'future shock'.

Future shock occurs when the type of changes and the speed of their introduction over powers the individual's ability to adapt to them with the result that one can no longer absorb change without displaying dysfunctional behaviour. The problem arises not from a particular change one cannot handle but from the fact that society itself is in a state of flux.

Since so much is changing, new ways of dealing with this 'temporary society' are needed. This society in which we live is characterized by the temporary nature of housing, jobs, friendship and neighbourhoods. Change is so frequent that there is no long-term stability and even values may come to reflect this.

1.3 Nature of Organizational change

Change is a part of life and provides opportunity for growth. It is a conscious decision by the management of organization. In any organization, we have people engaged in production, research, development, administration, etc. The organization in order to change should prepare a stock of the situation and should effect change in their attitude and style of functioning.

An organization is an open system which implies that it is in a constant interaction and interdependent relationship with its environment. Any change can occur in its environment, such as change in consumer tastes and preferences, competition, economic policies of the government, etc.

An organization consists of inter-related and interacting system, to perform complicated tasks such as:

1. Authority and power system.
2. Reorganization of the tool and techniques used in the system evolving proving of better equipment.
3. Change in the attitudes and behaviours and interpersonal relationship of people working in the organization through systematic manpower planning.
4. Delayering to flatten structures.
5. Change to multiple reporting relationships.
6. Jobs designed to grow.
7. Increase in job flexibility.
8. Increase in organizational flexibility.
9. Need for clear, measurable, and flexible standards of performance at all level, etc.

Organizational Change – 2 Major Types: Reactive Change and Proactive Change

Organizational changes are of two types:

1. Reactive changes and
2. Proactive changes (planned changes).

A brief description of these follows:

1. Reactive Changes:

Reactive changes occur when forces compel organization to implement change without delay. In other words, when demands made by the forces are compiled in a passive manner, such a change is called reactive change.

2. Proactive Changes:

Proactive changes occur when some factors make realize organization think over and finally decide that implementation of a particular change is necessary. Then, the change is introduced in a planned manner.

The difference between reactive and proactive changes can made on the basis of behavioural angle:

1. Reactive change involves a reflexive behaviour whereas proactive change involves purposive behaviour.
2. Reactive change covers a limited part of the system but proactive change co-ordinates the various parts of the system as a whole.
3. While reactive changes respond to immediate symptoms, proactive changes address to under-lying forces creating symptoms.

An example will help you distinguish the two changes in clearer manner.

Remember, you respond reflexively to a sudden intense light by blinking your eyes or by pupillary contraction. Undoubtedly, yours this is an automatic and instant response to a force (intense light) without giving any thought.

But, your purposive response to the same force would involve devising a plan either to shield the eyes or removing the light. Obviously, yours this action would involve co-ordination of central nervous system and psychomotor capacities.

Planned Changes:

When changes are effected after working out when and how they will be carried out, planned changes occur. For initiating planned change, the manager needs to constantly watch the changes taking place in the external and internal environment of the business so that corrective measures are taken accordingly and the changes could be effected successfully.

1.4 Reasons for Changes

Following are some of the causes of organizational changes which lead to disequilibrium end resistance:

i. Change in Tools, Machines and Equip-ment:

Technological or mechanical changes in machines, tools and equipments may bring change in the organization. For example, instal-lation of an automatic machinery in place of old machinery, may result in displacement or re- placement of people or loss of job to people and may create disequilibrium.

ii. Change in Methods and Procedures:

Man is a creature of habits. He feels irritated when change occurs in methods and procedures of work of which he is accustomed to. As it takes time to adjust to the new environment, it cre-ates disequilibrium till the complete adjustment to the new environment.

iii. Change in Business Conditions:

Changes in business conditions such as change in the quality of the product, change in the marketing system or practices, business cycles, change in industrial policy etc. all create disequilibrium in the work-environment and it needs adjustment accordingly.

iv. Change in Managerial Personal:

Change in the managerial personal in the organization may result in disequilibrium. A personnel may retire or change place or may be appointed afresh, this will all affect the

policies, practices, proce-dures and programmes of the organization and the people are to adjust themselves accordingly.

v. Change in Formal Organization Structure:

The formal organization structure establish a form and line of command of authority and re-sponsibility in an organization. Along with these lines, channels of communication and interper-sonal relations are established. If there is a change in this formal organizational structure, there will be a change in the formal relationship which creates disequilibrium.

vi. Change in Informal Organization:

Informal organization is a must in every formal organiza-tion and is a very important part of our exist-ence because many of our motivational forces find satisfaction in this relationship. Conse-quently when management likes to introduce any change that disturbs the informal relation-ship established among people there is bound to be a state of imbalance.

A short list of some of the changes which affected almost all organization in the past few decades is given here:

i. Technological innovations have multiplied, products and knowhow are fast becoming obsolete.

ii. Basic resources have progressively become more expensive.

iii. Competition has sharply increased.

iv. Environmental and consumer interest groups have become highly influential.

v. The drive for social equity has gained momentum.

vi. The economic inter-dependence among countries has become more apparent.

All the reasons for organizational change can be classified into two categories external reasons and internal reasons:

a. External Reasons:

A number of changes in the external environment may cause change in the organization. Here, we are mentioning some of the most common and obvious external reasons of organizational change-

1. Government Rules and Regulations

One can catalogue a long list of the Government's rules and regulations necessitating changes in organizations. For example, the recent slashing of grants by the University Grants Commission (UGC) to the Universities have forced them to strengthen their revenue generating functions, such as training programmes, consultancy, offering self-financing courses, etc.

Likewise, the Government's policy to privatise the power sector encouraged Jayprakash and the DLF to diversify into the power sector.

2. Competition:

The present time is the survival of the fittest. Organizations need to come up the challenges posed by the competitors to sus-tain and survive. In 1993, Mudra Communica-tion decided to reorganise itself to counter the threats from its competitors Lintas and HTA.

3. Technological Advances:

Technology has become the buzzword of the time. Rapid changes in technology has posed a question before the organization – either run or ruin. The revolutionary change in communication technology, i.e., communication satellite, cable networking, dish antenna,

etc., compelled the Doordarshan to restructure itself by segmenting its services to different categories of viewers and become more competitive.

4. Change in People Requirements:

Customers dictate organization what they actually require. With changing requirements of customers, the five-star-hotels have, of late, started to offer new services, such as business centres, conference hall facilities, secretarial services, etc.

b. Internal Reasons:

Though there may be a host of internal factors that may also cause change in organizations, some of the illustrative ones are listed here:

1. Change in Leadership:

Leadership changes culture and values in the organizations. V. Krishnamurty of SAIL, Tapan Mitra of INDAL, Ratan Tata of Tata Sons are the examples how the change in leadership led to internal changes in these organizations.

2. Introducing New Technology:

Introduction of new technology in an organization is bound to have consequences for other functions as well. For examples, the computerisation of the Examination Division of the M.K. University affected other aspects as well, such as reporting relationships, span of control, co-ordination mechanism and so on.

3. The Domino Effect:

The source of change is change itself. The domino effect means one change triggers off a series of related changes. For example, estab-lishing a new department, e.g., the Department of Business Administration may cause the cre-ation of teaching and non-teaching positions, budgeting allocation, building construction etc. Ignoring domino effect leads to the problems of co-ordination and control.

4. For Meeting Crises:

Just like human life, some unforeseen happening, say, crisis in the organization makes continuation of the status quo unthinkable and difficult. Sudden death of a CEO, the resignation of the executives holding key positions, loss of major suppliers, a drastic cutback in budget and civil disturbances are the examples of unforeseen crises.

These make the organizational condition unstable and this instability becomes the stimulus for thorough self-assessment and reform to change the organization to overcome the crisis before it.

5. Organizational Life-Cycle:

As human beings pass through certain sequential stages of life-cycle, so do the organizations also. As an organization grows from tiny sized to giant sized or from young to mature stage, according to Larry Greiner, it passes through five stages.

Each stage creates new demands for adjustment for the organization and so, act as a potent sources of organizational change. Each stage culminates in a crisis (which Greiner calls ‘revolution’), which the organization must overcome before graduating to the next stage.

1.5 Levels of change

‘Consistency is the quality of a stagnant mind’, says John Sloan. This is rightly said, as it finds great application in the current unpredictable business scenario. Change, resistance

to change, and managing change are popular terms and processes in the business world, more so to employees in change-prone organizations.

Well, enthusiasm to change is quite obvious in today's employees. However, whatever it takes to bring out innate change is not ingrained in the change management programs or organization's conduct. The initiative to hold change management and performance enhancement programs have never fallen apart but the structure and the content of such programs definitely need refurbishing.

Change is possible only if employees are persuaded to think about their jobs in fresh perspectives. A transformation in the attitudes and behaviour of an individual can bring about a fresh outlook to one's job.

There can be three levels of change as mentioned below:

(i) Lifeless-Change:

Depending on the extent of change desired CEOs could take to any of the three levels of change. The first is related to the outcomes of the business decisions. It has nothing to do with the work patterns or the workplace behaviour of employees. For instance, consider divesting non-core assets to emphasise on core business. In no way does it affect employees change in attitudes or behaviour. This is the least complex, rather the most straightforward level of change that could be brought about in organizations.

(ii) Half-Minded-Change:

The next level involves slightly more complex change process. This level demands of employees' adjustment in the existing practices or adoption of new ones to achieve predetermined targets. A financially unstable company for instance, might solicit change in working patterns or look for innovative ways to reduce or even eliminate waste.

(iii) Abysmal-Change:

The third and the most complex and deepest of all the levels of change is cultural change. Cultural change involves a complete change in employees' behaviour across the board. If a company could become competitive by changing from being reactive to proactive, hierarchical to collegial, or reflective to externally focused, then cultural makeover is the ideal change that one could look for. Since change is collective and affects the culture of organizations, it must aim at transformation of the minds of all those employees involved in the change.

1.6 Essentials of Organizational Change

Senior leaders and their learning partners must keep three key areas in mind as they navigate any major change like:

1. Organizational design,
2. Leadership capabilities, and
3. Employee engagement.

1.6.1. Organizational Design:

As an Organization's strategy shifts to respond to the change, so must its design. The design of an organization includes a number of important levers that work together to ensure the achievement of the organization's strategy. These levers include-organizational structure, processes, metrics and reward systems, and people practices. These systems, working in harmony, create focus and harness the collective energy of the organization.

Realigning these key levers after a major organizational change is often not a top priority, as senior executives are typically focused on the bottom line, shareholder value and employee retention. While a full-scale redesign may not be possible or practical, organizations can begin bringing their systems back into alignment with the new reality by targeting three critical areas-

(i) Values:

Having a shared set of values provides a clear sense of purpose to employees and serves as the foundation on which to rebuild the house.

(ii) Goals:

Once the foundation has been secured, leaders must ensure that everyone knows what needs to be done to stabilise and start rebuilding. Leaders need to communicate how the goals have changed and how they link to the strategy.

(iii) Roles:

Leaders must be clear with employees about how they fit into the newly defined organization. Do they have new roles and new people they need to interact with to do their jobs? Are their roles the same, but are they part of a different team? Have teams merged? Team leaders should understand the scope of change for each person on their team and be sure to clearly identify the level of change to enable maximum productivity.

1.6.2. Leadership Capabilities:

Challenging times require a different type of leadership. There are five core leadership competencies critical to driving and enabling change. The logic behind these competencies is simple- a layoff, restructuring, or merger or acquisition causes major disruption, and leaders must focus their capabilities on a narrow list of priorities.
The priorities include:

(i) Setting Direction:

Leaders must define the focus for the organization and its people by restating the vision and ensuring that the sense of purpose is clear and articulated.

(ii) Aligning Employees:

Once leaders have set the course, they must make the goals, objectives and mission clear to employees to gain their support.

(iii) Motivating and Inspiring People:

Enduring a major change can be difficult for the remaining employees and may drain productivity. Leaders can motivate and inspire people by focusing on the organization's future success.

(iv) Communicating:

Change can be unsettling, but people will be more productive if they know what's going on. Leaders must demonstrate strong communication skills and must be honest with employees about the changes in the organization.

(v) Managing Talent:

Leaders must scrutinise the redefined organization's talent needs and secure that talent.

While simple in theory, in practice, the focus and discipline required to successfully execute on these capabilities is not easy. In all likelihood, formal leadership development efforts are no longer practical. However, targeted coaching, action learning and on-the-job tools can help develop these competencies in real time and not only support leaders through the change, but strengthen their capabilities in the process.

1.6.3. Employee Engagement

During a workforce reduction, company leaders can be so focused on the employees they're laying off that they overlook the impact of the change on those who stay. To survive and rebuild, it is vital for the organization to support its people and teams as changes occur.

One way to do this is by directly enlisting employees to play a role in shaping the future of the organization. Understand what they need to be more individually resilient and provide the training and support to build this capability. While often formed early in life, personal resiliency can be developed, and strengthening personal resilience enables organizational change to be absorbed with minimal impact on productivity and morale.

Leaders also can perform a quick pulse survey, asking employees to answer these key questions:

1. Do I know what is expected of me?
2. Do I have the right skills, abilities and potential?
3. Do I belong here?
4. How can I learn, grow or innovate?

Communication is also vital component of employee engagement. Employees should be kept informed through regular communication, such as newsletters and manager roundtables. The communication channels should be two-way, open and honest, and frequent. The more information employees have, the less time they spend guessing about the direction of the company and the more time they have to focus on their work.

While there is no way to predict what changes might affect an organization in the future, leaders who prepare for the change and its aftermath will ensure their organizations can thrive through the challenges ahead.

1.7 Causes of Organizational change

These includes:

1. Challenges of growth, especially global markets
2. Changes in strategy
3. Technological changes
4. Competitive pressures
5. Customer pressure, particularly shifting markets
6. To learn new organizationalbehaviour and skills
7. Government legislation/initiatives.
8. Change in organizational structure
9. Change in managerial personnel.

Research indicates that organizations are undergoing major change approximately once in every three years, whilst smaller changes are occurring almost continuously. There are no signs that this pace of change will slow down.

Hence, organizations have to modify and change to adapt to the changing internal and external environment:

1. Technological innovations have multiplied
2. Basic resources have progressively become more expensive.
3. Competition has sharply increased.
4. Communication and computers have reduced the time needed to make decision

5. Environmental and consumer interest groups have become highly influential
6. The drive for social equity has gained momentum
7. The economic interdependence among countries has become more apparent.

1.8 Manage Organizational Change

Though the people have agreed and are convinced of expected change in organization, the immediate question before the strategists is how to manage the change? No company wants to be the victim of change but victor of the change. This managing is an import art that asks for display of skills of developing an action plan or a process that makes the company to turn the corner successfully.

KL Strategic Change Consulting House of Kaula Lampur-Malaysia has come out with a model of manage the change which is cited by Professor Victor S.L. Tan in his title Changing the Mind-sets. Ensuring the future of Asian Organization published by Times Books International, Singapore.

1. Anticipating Change:

To start with the leaders of the organization are expected to anticipate change by analysing the external environment and applying their intuitions to predict the change management can magnify the opportunities and miniaturing the threats from the forces of change in the market place by anticipating the change.

The management can leverage the resources and exploit opportunities for its own growth which is possible with superior skills of anticipation.

2. Identifying the Change:

The organizational leaders are to identify the changes and evaluate as to how their organization can match its strategy, structure, systems, skills styles, staff and super-ordinate the goal to the external driving forces of competitors, customers, contradictions and other conditions of the market place.

This calls for an intricate diagnosis of the organization in the back- drop of changing environment. Wise leaders are bold and frank enough to question themselves about their vulnerability to strategic changes, opportunities they can pocket out of the change, gap between the desired performance and the real ground performance.

3. Selling the Change:

There is dire need for selling the change through effective communication to different executives and the employees at all the levels to bring about change. It is effective communication that creates awareness about change and to prepare the people for extending their whole-hearted support through commitment for change.

Hence, it is up to the leaders at top to bring home the benefits of change that accrue to the organization and, therefore to the people who make the organization.

4. Mobilising Resources for Change:

Introduction of change can be effective only when the people responsible build a team or sub-teams and assimilate resources. The leader at the top has to involve the people at different positions commanding authority. Further, the people with requisite expertise, acumen and experience are to be consulted. This cements the task of mobilizing the resources and channelizing in right direction.

5. Breaking Down the Comfort Zones:

The challenge of introducing change is the crucial task of changing the mind-set of people so that they feel comfortable with old habits and the deep rooted practices, even when they are misdirected. People prefer status-quo in order to avoid change. It is the inertia of these status-quo seekers of doing something in a different way.

Hence, it is the major task of the lenders to break down these comfort zones through injecting and bolstering the sense of urgency. It can be done in different ways; We way to raise organizational goal in terms of increased market share or revenue; another way is to go in for professionals from outside for diagnosing the problem area and bringing up the performance level.

Again, managers at various levels are expected to always question themselves of their perceptions and the existing practices.

6. Reinforcing Change Success:

In case the change-leaders and change-teams are convinced of an early success, it is the proof of the fact that change has worked. This gives a kick-start arid the momentum continues to propel and impel change efforts pushing forward. This should be brought to the notice of people which helps to get a lasting commitment to change.

7. Continuous Learning and Change:

Effective implementation of change warrants turning of an "existing" organization into 'learning" organization and "creative" organization in which people learn continually and put forth their new ideas which are innovative and creative and share these ideas with others.

This process can be further facilitated by making the organization structure more flexible and easy gliding where people at different layers and at different points of layers communicate freely, frankly and immaculately.

1.9 Summary

The change means the alteration of status quo or making things different. It may refer to any alteration which occurs in the overall work environment of an organization. When an organizational system is disturbed by some internal or external force, the change may occur. The change is modification of the structure or process of a system, that may be good or even bad. It disturbs the existing equilibrium or status quo in an organization. The change in any part of the organization may affect the whole of the organization, or various other parts of organization in varying degrees of speed and significance. It may affect people, structure, technology, and other elements of an organization. It may be reactive or proactive in nature

1.10 Key words

Organizational change as "When an organizational system is disturbed by some internal or external force, change frequently occurs. Change as a process, is simply modification of the structure or process of a system. It may be good or bad, the concept is disruptive only".

Reactive Changes-Reactive changes occur when forces compel organization to implement change without delay. In other words, when demands made by the forces are compiled in a passive manner, such a change is called reactive change

Proactive Changes - Proactive changes occur when some factors make realize organization think over and finally decide that implementation of a particular change is necessary. Then, the change is introduced in a planned manner

Planned Changes- When changes are effected after working out when and how they will be carried out, planned changes occur. For initiating planned change, the manager needs to constantly watch the changes taking place in the external and internal environment of the business so that corrective measures are taken accordingly and the changes could be effected successfully

Change in Formal Organization Structure- The formal organization structure establish a form and line of command of authority and responsibility in an organization. Along with these lines, channels of communication and interpersonal relations are established.

Change in Informal Organization- Informal organization is a must in every formal organization and is a very important part of our existence because many of our motivational forces find satisfaction in this relationship

1.11 Self Assessment Questions

1. Describe the Meaning and Nature of Organizational change?
2. Briefly Explain the Reasons for change and Levels of change?
3. Discuss the Essentials of Organizational change?
4. Examine the causes for Organizational change?

1.12 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4. Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
5. Organization Development and change with Mind Taplle, Thomas, Cummings/Christopher.G.Worky, Cenage Learning India, Private Limited. 2023.

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LESSON-2
MANAGING CHANGE

Learning objectives

- ✓ To Study the Process of change
- ✓ To Learn the Forces of change
- ✓ To Understand the Overcoming Resistance of change
- ✓ To Discuss the Strategies of change
- ✓ To Identify the Methods of change and Building Effective Organization

Structure

2.1 Introduction
2.2 Forces of change
2.2.1 Internal Forces
2.2.2 External Forces
2.3 The Process Of Change
2.4 Overcoming Resistance To Change
2.5 Managing Change
2.6 Targets of Change
2.7 Strategies of Change
2.8 Methods of Change
2.9 Building Effective Organization
2.10 Effectiveness of Organizational change
2.11 Factors in Building Effective Organization
2.12 Summary
2.13 Key words
2.14 Self Assessment Questions

2.1 Introduction

The term change may be defined as the replacement of existing one with a new one. Change results in new opportunities, challenges and also some hardships. Change is inevitable in the life of an individual or organization. A change in an organization is known as organizational change, which refers to the setting up new production methods; producing new products; restructuring of organization; adoption of information technology; change from public to private ownership or vice-versa etc. Organizations, which learn and cope up with change, will flourish and others, which fail to do, so, will disappear. Modern organizations are required to compete in a global market. Further technological developments resulted in changes in the methods of producing goods and services. All these developments make changes inevitable, pervasive, and persistent in organizational life. In this Unit, you will learn the forces and process of change, their resistance and how to overcome resistance to change.

2.2 Forces of change

Organizations today operate in a very dynamic and changing environment. They have to make suitable changes from time to time to become competitive; to serve customers better; to be on par with latest technology; to maintain or to improve upon existing level of profits.

All the forces, which initiate changes, can be broadly divided into two categories: Internal Forces and External Forces.

2.2.1 Internal Forces

i) Change in Leadership: A change in leadership of an organization may result in change in perceptions, strategies, activities and results.

ii) Change in Employees Profile: Some changes in employees profile are inevitable because of death, retirement, transfer, promotion, discharge or resignation. Women employment is on the increase.

Further in the context of present day globalisation, employees are recruited from different nationaland cultural backgrounds. Human Resource policies and practices have to be reoriented to suit the diverse workforce.

iii) Change in Employees Morale and Motivation: The changes in leadership, their policies and practices may affect the morale and motivation of the employees resulting in declining productivity, production and profits.

iv) Union Influence: The influence of the union on many organizations in respect of recruitment, service conditions, wage rates etc. is still perceptible inspite of the implementation of policies of liberalisation by many Governments. The management will have to make suitable changes in response to demands of the union.

v) Implementation of New Technology: Technological developments result in change of job, production process, and employee profile. More computers, automation; and reengineering programmes result insubstantial changes in most of the organizations. The Internet has its profound impact on the markets of number of organizations. Biotechnology is another field where large number of products are likely to be created.

2.2.2 External Forces

i) Competition: Global competition has come into existence. Mergers and acquisitions have been on the increasing trend. Organizations have to make suitable changes in response to the demands from the competition. They should acquire the capacity of developing new products rapidly and market them quickly. Short production runs, and short product cycles by equally flexible and responsive systems will be required to face these competitive challenges.

ii) Economic Fluctuations: The fluctuations in security markets, interest rates, exchange rates etc. have continued to impose changes on organizations.

iii) Social Trends: Increase in college attendance; delayed marriages by young couple; economic upliftment of women and backward communities etc. suggest changes, which are to be considered by organizations. All these result in fluctuations in the demand for products used by these groups.

iv) Global Politics: Collapse of Soviet Union, the reunification of Germany, the policies of W.T.O., U.Sattack on Afganistan and Iraq etc. have their impact on the business of different organizations, whose activities are related to such developments

2.3 The Process Of Change

A successful change process involves three steps :

- Identifying the need for change;
- Cultivating a new behaviour or substitute; and

• Feeling comfortable with the new situation.

Let us now consider two popular models of change process. The first one is Lewin's three-step model. Which is discussed below.

Lewin's Model

According to Kurt Lewin, the change process consists of three steps: i) Unfreezing the status co; ii) Movement to a new stage; and iii) Refreezing the new change to make it permanent.

A successful change process involves three steps :

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Let us now consider two popular models of change process. The first one is Lewin's three-step model. Whichis discussed below.

Resistance to change is an attitude or behaviour that shows unwillingness to approve a particular change. This resistance is to be overcome for successful change. Sometimes resistance to change serves as a feedback to reconsider the proposed change. Thus resistance to change can also be used for the benefit of the organization. The essence of constructive approach to resistance is to consider objections raised and make suitable amendments and educate the employees about the proposed change. Resistance can be overt, implicit, immediate and differed. When it is overt and immediate, the management can take immediate remedial steps to deal with such resistance. Implicit resistance may result in loss of loyalty, loss of motivation, increased mistakes, increased absenteeism etc. In course of time, similarly differed resistance creates problem to the management particularly when substantial amounts have already been invested in carrying out the change. Resistance to change may be introduced by the organization, the individual or both. We shall now examine the different sources of resistance either from organization or from individuals. Organizational Resistance The following six major sources of organizational resistance have been identified.

i) Structural Inertia

Every organization has built in mechanisms or systems to maintain stability. It may be training and other socialised techniques or formulation procedures. The people are recruited; they are trained and they are shaped to behave in certain ways. When change is proposed in any of these systems and procedures, the existing employees may not accept it.

ii) Limited Focus of Change

Organizations consist of interdependent sub-systems. We can't change one without effecting the other. If management desires to change the technological process without simultaneously modifying the organizational structure, the change in technology is not likely to be accepted.

iii) Group Inertia

Sometimes even if individuals want to change their behaviour, group norms may act as a constraint.

iv) Threat to Expertise

A change in the organization may threaten specialised expertise developed by the individuals and groups over the years. Hence they are likely to oppose the change. v) Threat to Established Power Relations: Any redistribution of decision-making authority may threat individuals' power relationship with others and leads to resentment. vi) Resource Allocation: The groups in the organization, which control resources often consider change as a threat.

Individual Resistance

The reasons for resistance from individuals can be traced to basic human characteristics such as perceptions, personalities and needs. The following are the six reasons for individual resistance to change.

i) Habit: The human beings prefer to carry out their daily jobs in the same way. Introduction of any new steps in carrying out the job makes them feel that the job has become difficult. So they resist this change.

ii) Security : People with high need of job security are likely to resist the change which is likely to affect their feelings of safety. Introduction of new technological changes in an organization may make the employees feel that their jobs are in jeopardy.

iii) Economic Factors : Employees may feel that the proposed changes may reduce their monthly pay. Hence they oppose such changes.

iv) Fear of Unknown: When the change is proposed, a known situation is sought to be replaced by an ambiguous and uncertain situation, which may not be liked by the employees. As a result, they develop a negative attitude towards the proposed change.

v) Lack of Awareness : People may not be aware of the benefits of the proposed changes and consequently they resist those changes due to ignorance

Social Factors

Individual employee may resist changes either because of the influence of the group or the union to which they belong. They may feel that if those changes are accepted, they may be ridiculed by their colleagues or the union officials

2.4 Overcoming Resistance To Change

When there is a resistance to change, the management has to take appropriate steps to overcome the resistance. The following six ways have been suggested for dealing with the resistance to the change:

i) Education and Communication: The first approach to overcome resistance is through education and communication. Under this approach, the employees are educated about the change before it is implemented. This helps them to understand the logic of the change and its benefits. This method is the best method when resistance is based on inaccurate or incomplete information.

ii) Participation and Involvement: Resistance to change can be reduced significantly by inviting the concerned employees to participate in its decision making process. They feel that it is their own proposal and consequently they stand by its implementation.

iii) Facilitation and Support: This involves providing both emotional, training and financial assistance to employees experiencing the hardships of change

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Table 18.2 : Overcoming Resistance to Change

Method	Use when	Advantages	Disadvantages
Education & communication		People lack information or have inaccurate information	
Creates willingness to help with the change		Can be very time consuming	
Participation & involvement		Other people have important information and/or power to resist	
Adds information to change planning; builds commitment to the change		Can be very time consuming	
Facilitation & support		Resistance traces to resource or adjustment problems	Satisfies directly specific resource or adjustment needs
Can be time consuming; can be expensive			
Negotiation & agreement		A person or group will lose something because of the change	
Helps avoid major resistance		Can be expensive; can cause others to seek similar deals.	
Manipulation & cooptation		Other methods don't work or too expensive	Can be quick and inexpensive
Can create future problems if people sense manipulation			
Explicit & implicit coercion		Speed is important and change agent has power	Quick; overpowers resistance
Risky if people become crazy			

2.5 Managing Change

(i)Environmental Influences

Environment is an important factor in bringing about organizational change. The demands of the environment have to be considered in finalizing the change. The environmental complexities increase as the area of the organization's operations increase – local, regional, national and international. Further acceptance of change varies widely from place to place and from culture to culture. Moreover, the techniques to be adopted for managing change also differ from country to country.

(ii) Whole View of the Organization

It is always necessary that managers should take whole view of organization while proposing change. A partial view can affect the change effort adversely.

(iii) Support of Top Management

The success of any change effort depends to a large extent on the support of top management. Complaints may be made against the change proposals of local/regional managers to the top management. Therefore, unless the top management is informed in advance and their support is ensured, problems may arise and the local/regional management may fail in implementing the change.

(iv)Employee's Participation

Employees or their representatives may be invited to participate in discussions relating to the proposed change. If they are given a role in designing the change, they are likely to cooperate with the management in implementing the change Open Communication: Open communication between management and employees is an important factor in managing the change. Employees are likely to have certain misapprehensions about the change and unless correct information is provided through open communication system, the change efforts are likely to fail.

(v) Incentives and Rewards

Employees who are responsible for the successful implementation of the change should be recognized and appropriately rewarded. Sometimes people who resist in the beginning or oppose throughout are given more importance than employees who support the change right from the beginning. Employees who support the change actively and help others adjust tochanges deserve special recognition by way of news release; special consideration in performance appraisal; an increment in pay or a promotion etc. Look at Table 2.1 which shows the factors and impact of managing change.

Key	Impact
Environmental influences	A major factor influencing the change
Whole view of organisation	Comprehensive effect on the Organisation
Support of top management	Minimises the problems while implementing the change
Employee's participation	Cooperate with the implementation of change
Open communication	Minimises misapprehensions
Incentives and rewards	Encourages employees to cooperate with management

Table 2.1 Managing Change

2.6 Targets of Change

The change is usually carried out with a view to improve the performance of one or more of the following four elements:

(i) Human Resources

Human Resources constitute the most important asset of an organization. The competencies and the overall success of an organization depend on the quantity and quality of its employees. Hence the organizations will have to find out most effective way of motivating human resource. The efforts in this context, include:

a. Additional investment in training and development activities to enable employees to acquire new skills and abilities,
b. Integrating employees with the organizational culture,
c. Changing organizational norms and values to motivate multicultural and diverse work force, and
d. Institution of promotion reward systems applicable to a diverse workforce.

(ii) Functional Resources

Each organizational function needs to develop procedures, which will help the organization to manage the environment. As environment changes, organizations often

transfer sources to the functions where maximum value can be created. An organization can improve the valueby changing its structure, culture and technology.

(iii)**Technological Capabilities**

Technological capabilities provide a wonderful opportunity to change itself in order to exploit market opportunities. This will help the organization either in developing new products or improving the existing products or improving the production process.

(iv)Organizational Abilities

The design of an organization structure and culture helps an organization to harness its human and functional resources to exploit technological opportunities. The ability of people and functions can be increased by making suitable changes in their relationships.

Thus, the proposed change should aim at improving the performance of either human resources, functional resources or technological capabilities or organizational abilities.

2.7 Strategies Of Change

An appropriate strategy for implementing the change is to be followed to get the best results from proposed changes. The strategies of changes can be classified into two categories:

i) Evolutionary – which is gradual, incremental and specifically focused

ii) Revolutionary- which is sudden, drastic and organization wide Managers who choose an evolutionary strategy make incremental changes to organizational strategy and structure. On the other hand, managers who choose the revolutionary strategies make drastic changes to organizational strategy and structure. Instead of making changes one by one, they wait until change is really necessary and then make all the changes simultaneously. The revolutionary change, which is otherwise known as top down change calls for intervention of the top management. This involves massive dislocation and the uncertainty. This approach is preferred because it is the only way in which an organization can overcome the inertia that threatens efforts to restructure the company. As against the revolutionary change, evolutionary change depends on bottom up change strategy. The change is carried out through incremental steps in which all the employees may be involved in decision making and implementation. Top management also guides the actions and make sure that they are in conformity with overall corporate objectives. However, this strategy requires longer period of implementation than top down change. The evolutionary change facilitates organizational learning and allows the organization to respond to changing environment. The revolutionary strategy can be implemented by employing one of the following three approaches:

iii)Re-engineering

Re-engineering involves the re-thinking and re-design of business process to increase organizational effectiveness. The attention will be on the business processes rather than the organizational functions.

(iv) Re-structuring

Restructuring is a second form of revolutionary change. There are two basic steps to re-structuring

i) An organization reduces its level of differentiation and integration by eliminating divisions or departments

ii) An organization downsizes the number of its employees to reduce operating cost. • Change in the relationships between divisions or functions are common in restructuring.
iii) Innovation: Innovation is the process by which organizations use their skills and resources to develop new goods and services or to develop new production and operating system. The objective is to meet the needs of customers in the best possible manner. However, innovation is also associated with high level of risk because the results of research and development activities are often uncertain. The other classification of change strategies is on the basis of methods usually used in making the employees accept the changes.

2.8 Methods of Change

i) **Force Coersion Strategy:** Under this strategy, rewards or punishments are applied to induce or to force the employees to accept the change. The effects of this strategy continue as long as the rewards or punishments are effective.

ii) **Rational Persuasion Strategy**: Under this strategy, an attempt is made to make the employees to accept the change through the use of special knowledge, empirical support or rational arguments. This strategy is also known as empirical-rational strategy. When this strategy succeeds, it results in a longer and more internalised acceptance than the force coercion strategy.

iii) **Shared Power Strategy**: This involves inviting the employees to participate in decision-making relating to the proposed change. This strategy is also known as normative re-educative approach, which tries to develop directions and support for change through involvement and empowerment. This strategy lasts long and internalizes change.

2.9 Building Effective Organization

An effective organization is the one, which utilizes its resources in a way that maximizes the organization sability to create a value. In other words an organization is effective if it can :
Secure scarce and valued skills and resources from outside the organization. (external resource effectiveness).
Creatively co-ordinate resources with employees' skills to innovate products and adopt to changing customerneeds. (internal systems effectiveness).
Efficiently convert skills and resources into finished goods and services (technical effectiveness).

2.10 Effectiveness of Organizational change

i) External Resource Effectiveness:

The organizations control over the external environment. The organizations ability to influence the stakeholders' perceptions in its favour and to receive a positive evaluation by external stakeholders are very important to the organizations survival. The effectiveness of organizations control over the environment is measured with the help of indicators such as stock price, profitability, return on investment etc. which the shareholders judge how well the management is controlling its environment.

ii)Internal Systems Effectiveness

The effectiveness of an organization also depends on how does the organization function effectively. It should have a structure and a culture, which permit adoptability and quick responses to changing conditions in the environment. The organization should be flexible so that it can speed up decision-making and rapidly innovate production services. High degree

of employees co-ordination and motivation will have direct impact on organizations ability to respond to its environment.

iii)Technical Effectiveness

This consists of how can an organization convert its skills and resources into finished goods and services effectively. Technical effectiveness is measured in terms of productivity and efficiency. Increase in production without increase of cost or reduction per unit cost are all examples of technical effectiveness. Productivity measures the effectiveness of the organizations production operations. Employees attitude and motivation and their desire to co-operate are also important in influencing productivity and efficiency.

An organization may be effective in one area but not in others. The overall effectiveness of an organization is ensured with the existence of the effectiveness of all the three components – external resources, internal systems and technical matters. Managers have to take steps in developing effectiveness in all these three tasks. Failure in the part of the organization in any one or more of these areas will result in ineffective organization.

2.11 Factors in Building Effective Organization

The following are some of the factors to be considered for building effective organization.

Sensitivity Training: This is a method of changing behaviour through unstructured group interaction. The employees are brought together in free open environment. They discuss among themselves and thus they learn through serving and participating.

Survey Feedback : This method consists of using questionnaires to identify discrepancies among member's perceptions; arranging discussion among the members on their perceptions and suggesting remedies.

Process Consultation: Under this method, an outside consultant is employed to assist the organization to perceive, understand and act upon process events. This helps the managers to take remedial steps to improve the situation.

Team Building: Modern organizations are increasingly relying on team to accomplish work tasks. Teambuilding utilizes high interaction in group activities to increase trust and openness among team members.

The objective is to improve efforts of members, which will result in increased teams' performance. Inter Group Development: This method aims at changing the attitudes and perceptions of different groups towards each other. Each group meets independently to develop lists of its own perception and the perception of other groups. The groups then exchange their lists, after which similarities and differences are discussed. Thus, an attempt is made to sort out the differences and reach the stage of integration. In thisway, the relations among the groups are improved.

Innovation: Innovation is a new idea applied to initiating or improving a product, process or service. The effectiveness of the organization depends to a large extent on its innovativeness. Innovativeness can be developed in all the functional areas of management. Creating a Learning Organization: A learning organization is an organization that has developed the continuous capacity to adopt and change. Just as individuals learn organizations also learn. An organization can be a continuous learner by :

• Establishing a strategy for change, innovation and continuous improvement;

• Re-designing the organization structure to facilitate the continuous learning by all the departments and employees; by reshaping the organizations culture to suit the continuous learning.

2.12 Summary

Organizational change refers to the replacement of existing system to a new system. It may result in some opportunities, challenges as well as hardships. Both internal and external forces influence the process of change in an organization. A successful change process involves three steps; i.e., identification of need for change, cultivation of new behaviour and feeling comfortable with the new situation. Lewin's model and Continuous process model explain the process of the change. As the change is introduced in an organization, it may face the resistance by the organizational members. Both individual and organization may resist the change. Organization may deal with the resistance to change through : education and communication, participation and involvement, facilitation and support, negotiation and incentives, manipulation and cooptation and coercion. The process of change requires to be managed in a careful and systematic way. The factors influencing successful management of organizational change should be considered for this purpose. The major targets of change are human resources functional resources, technological capabilities and organizational abilities. An appropriate strategy for implementing the change should be devised considering both evolutionary and revolutionary changes. An effective organization is required for using its resources for creating the optimum value. The organization should focus on external resource effectiveness, internal system effectiveness and technical effectiveness for this purpose . The factors to be considered for building effective organization are : sensitivity training, survey feedback, process consultation, team building, inter group development, innovation and creating a learning organization.

2.13 Key words

Change agent: A person responsible for managing a change effort.

Change: It is the movement from the old way to a new way of doing things.

Coercion: Application of direct threats or force upon the resistors.

Coercive power: The extent to which a person has the ability to punish physically or psychologically.

Decision-making: The process of choosing a course of action.

Empowerment: The process of enabling workers to set their work goals, make decisions and solve problems within their sphere of responsibility and authority.

Evolutionary change: Change that is gradual, incremental and specifically focused.

Group: Two or more people who interact with one another such that each person influences and is influenced by the other person.

Innovation: The process of creating and doing new things

Moving phase: It involves taking action to modify a situation by changing things such as the people, tasks, structure, and technology of the organization.

Organization: A group of people working together to attain common goals.

Organizational change: It is the process by which organizations move from their present state to some desiredfuture state to increase their effectiveness.

Organizational structure: The system of task, reporting and authority relationships within which the organizationdoes its work.
Planned change: It is the deliberate design and implementation of structural innovation, a new policy or goal,or a change in operating philosophy, climate or style.

Process consultation: Helps groups improve on such things as norms, cohesiveness, communication, decisionmaking methods, conflict, task, and maintenance activities.

Re-engineering: The radical redesign of organizational processes to achieve major gains in cost, time andprovision of services.

Refreezing: The process of making new behaviours relatively permanent and resistant to further change.

Resistance to change: An attitude or behavior that shows unwillingness to make or support a change.

Restructuring: Change in the relationships between divisions or functions in the organization.
Unfreezing: The process by which people become aware of the need for change.

2.14 Self Assessment Questions

1)What are the major forces and resistance to change? How does organizations should manage the change process?
2) What is organizational change? Discuss the forces influencing the organizational change?
3) Explain in detail the external and internal forces of organizational change. Which one do you think is more prominent?
4) How do evolutionary change and revolutionary change differ, under what conditions managers choose one approach or the other?
5) What suggestions do you offer for managing organizational change successfully?

2.15 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3.Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
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LESSON -3
CONCEPT OF ANALYZING THE ENVIRONMENT

Learning Objectives

- ✓ To study the concept of organizational change
- ✓ To Learn the Forces of change
- ✓ To Understand the Levels and Types of change
- ✓ To Identify the Resistance of change

Structure

3.1 Introduction
3.2 Concept of Organizational Change
3.3 Forces for Change
3.4 Levels of Change
3.5 Types of Change
3.6 Steps in Managed Change
3.7 Resistance To Change
3.8 Summary
3.9 Keywords
3.10 Self Assessment Questions
3.11 Suggested Readings

3.1 Introduction

Organization is a social system. All parts of organization affect all other parts. That is, there is so much of interrelationship of parts that anything happening at one end is transmitted to the other end. This interrelationship is not only between the elements and parts of organization, but also with the environment around it. When organization functions, these relationship and interrelationships get established and gradually organization obtains a systematized and orderly behavior. The whole system is said to be in equilibrium. This becomes an established way of life and any disturbance to this established way of life naturally exercises pressure on some elements which are accustomed to that way of life. This event evokes a reaction which may suggest acceptance of it, lack of interest in it or there may be counter pressure opposed to the disturbance. In some cases, the impact of accepting or ignoring a disturbance may not be much different, but otherwise, the former connotes cooperation and the latter, lack of interest. The term 'change' refers to any alternation which occurs in the overall work environment of an organization. It is to be emphasized that 'change is the law of nature'. Nothing is permanent except change. Change has the following characteristics:

(i) Change often results from the pressure of forces which are both outside and inside the organization;

(ii) The whole organization tends to be affected by the change in any part of it; and

(iii) Change takes place in all parts of the organization, but at varying rates of speed and degrees of significance. An organizational is an open system which means that it is in a constant interactional and interdependent relationship with its environment. Any change in its external environment, such as changes in consumer tastes and preferences, competition, economic policies of the Government, etc., make it imperative for an organization to make changes in its internal system. Further,

organization is composed of a number of subsystem, which are also in a dynamic relationship of interaction and interdependence with one another. Any change in a subsystem creates a chain of changes throughout the entire system.

3.2 Concept Of Organizational Change

The term 'organizational change' implies the creation of imbalances in the existing pattern of situation. When an organization operates and functions for a long time, an adjustment between its technical, human and structural set-up is established. It tends to approximate an equilibrium in relation to its environment. In other words, organization members evolve a tentative set of relations with the environment. They have an adjustment with their job, working conditions, friends and colleagues etc. Change requires individuals to make new adjustments. Hence the fear of adjustment gives rise to the problem of change and resistance to change. Individual comes in to danger. On the other hand, groups resist change where their existence is in danger or a total change in overall work environment is contemplated.

Management of change may be defined as a conscious and concerted initiative by those who are in-charge of the destiny of the business undertaking or firm to keep a constant and intelligent watch over the behaviour of uncontrollable forces, to assess their impact and influence of the controllable forces, and to evolve appropriate strategies and action programmes to maintain a dynamic equilibrium between the controllable and uncontrollable forces. The controllable forces are those forces about which sufficient information is available. Such forces can be managed easily. Uncontrollable forces are those about which not much is known. These forces exert a powerful influence on the behaviour of controllable forces and limit the scope of managerial action.

3.3 Forces for Change

Organizations encounter many different forces for change. These forces come from external sources outside the organization and from internal sources. Awareness of these forces can help managers determine when they should consider implementing an organizational change. The external and internal forces for change are as follows:

(a) External Forces

External forces for change originate outside the organization. Because these forces have global effects, they may cause an organization to question the essence of what business it is in and the process by which products and services are produced. There are four key external forces for change: demographic characteristics, technological advances, market changes, and social and political pressures.

(i)Demographic Characteristics

Organizations need to effectively manage diversity if they are to receive maximum contribution and commitment from employees.

(ii) Technological Advancements

Both manufacturing and service organizations are increasingly using technology as a means to improve productivity and market competitiveness. Manufacturing companies, for instance, have automated their operations with robotics, computerized numerical control (CNC) which is used for metal cutting operations, and computer-aided design (CAD). CAD is a computerized process of drafting and designing engineering drawings of products. Companies have just begun to work on computer-integrated manufacturing (CIM). This

highly technical process attempts to integrate product design with product planning, control, and operations. Office automation consists of a host of computerized technologies that are used to obtain, store, analyse, retrieve, and communicate information.

(iii) Market Changes

The emergence of a global economy is forcing Indian companies to change the way they do business. Companies are having to forge new partnerships with their suppliers in order to deliver higher quality products at lower prices.

(iv) Social and Political Pressures

These forces are created by social and political events. Personal values affect employees' needs, priorities, and motivation; managers thus may need to adjust their managerial style or approach to fit changing employee values. Political events can create substantial change. For example, the collapse of both the Berlin Wall and communism in Russia created many new business opportunities. Although it is difficult for organizations to predict changes in political forces, many organizations hire lobbyists and consultants to help them detect and respond to social and political changes.

(b) Internal Forces

Internal forces for change come from inside the organization. These forces may be subtle such as low morale, or can manifest in outward signs such as low productivity and conflict. Internal forces for change come from both human resource problems and managerial behaviour/decisions.

(i) Human Resource Problems/Prospects

These problems stem from employee perceptions about how they are treated at work and the match between individual and organization needs and desires. Dissatisfaction is a symptom of an underlying employee problem that should be addressed. Unusual or high levels of absenteeism and turnover also represent forces for change. Organizations might respond to these problems by using the various approaches to job design by implementing realistic job previews, by reducing employees role conflict, overload, and ambiguity, and by removing the different stresses. Prospects for positive change stem from employee participation and suggestions.

(ii) Managerial Behaviour/Decisions

Excessive interpersonal conflict between managers and their subordinates is a sign that change is needed. Both the manager and the employee may need interpersonal skills training, or the two may simply need to be separated: for example, one of the parties might be transferred to a new department. Inappropriate leadership behaviours, such as inadequate direction or support, may result in human resource problems requiring change. Leadership training is one potential solution for this problem.

3.4 LEVELS OF CHANGE

Change can be at individual, group and organizational levels:

(a) Individual Level Change

At the individual level change is reflected in such developments as changes in a job assignment, physical move to a different location, or the change in maturity of a person which occurs overtime. It is said that changes at the individual level will seldom have significant implications for the total organization. This is not true because a significance

change at the individual level will have its repercussions on the group which, in turn, might influence the wider organization. A manager who desires to implement a major change at the individual level, transferring an employee for instance, must understand that the change will have repercussions beyond the individual.

(b) Group Level Changes

Most organizational changes have their major effects at the group level. This is because most activities in organizations are organised on group basis. The groups could be departments, or informal work groups. Changes at the group level can affect work flows, job design, social organization, influence and status systems, and communication patterns.

Managers must consider group factors when implementing change. Informal groups can pose a major barrier to change because of the inherent strengths they contain.

Formal groups can resist change, as exemplified by the resistance demonstrated by unions to the changes proposed by management. Because of the powerful influence that groups can have on individuals, effective implementation of change at the group level can frequently overcome resistance at the individual level.

(c) **Organization Level Changes**

Change at this level involves major programmes that affect both individuals and groups. Decisions regarding these changes are generally made by senior management and are seldom implemented by only a single manager. Frequently they occur over long periods of time and require considerable planning for implementation. Example of these changes would be reorganization of the organization structure and responsibilities, revamping of employee remuneration system, or major shifts in an organization's objectives. Change at the organizational level is generally referred to as organization development.

3.5 Types Of Change

There are various areas within the organizational domain where changes can be brought about for operational enhancement of the organization as well as desirable behaviour of members. The various types of changes that can have considerable impact on the organizational culture are:

a) Strategic Change

This is a change in the very mission of the organization. A single mission may have to be changed to multiple missions. For example, when British Airways acquired a major part of U.S. Air, the culture of the entire organization had to be modified to accommodate various aspects of American organizational culture into the British organizational culture.

b) Structural Change

Decentralized operations and participative management style have seen more recent trends in the organizational structure. Since these structural changes shift the authority and responsibility to generally lower level management, it has a major impact on an organization's social climate and members have to be prepared to develop a team spirit as well as acquire skills to make on-the-spot decisions at points of operations

c) Process-oriented Change

These changes relate to technological developments, information processing, automation and use of robotics in the manufacturing operations. This means replacing or retraining personnel, heavy capital equipment investment and operational changes. This

would affect the organizational culture and hence changes in the behaviour patterns of members.

d) People-oriented Change

Even though, any organizational change affects people in some form, it is important that the behaviour and attitudes of the members be predictable and in accordance with the expectations of the organization and be consistent with the mission and policies of the enterprise. These changes are directed towards performance improvement, group cohesion, dedication and loyalty to the organization as well as developing a sense of self-actualization among the members. These can be developed by closer interaction with employees and by special behavioural training and modification sessions.

3.6 Steps in Managed Change

The first step in the change process is to identify the need for change and the area of change as to whether it is strategic change, process-oriented change or employee oriented change. This need for change can be identified either through internal factors or through external forces that may be in place. Once this need is identified, the following steps can be taken to implement such change:

1.Develop new goals and objectives

The managers must identify as to what new outcomes they wish to achieve. This may be a modification of previous goals due to changed internal and external environmental or it may be a new set of goals and objectives.

2. Select an agent for change

The management must decide as to who will initiate and oversee this change. A manager may be assigned this duty or even outside specialists and consultants can be brought in to suggest the various methods to bring in the change and monitor the change process.

3. Diagnose the problem

It is important to gather all pertinent data regarding the area or the problem where the change is needed. This data should be critically analysed to pinpoint the key issues. Then the solutions can be focused on those key issues.

4. Select methodology

Because of natural resistance to change, it is very important to chart out a methodology for change which would be correct and acceptable to all. Member's emotions must be taken into consideration when devising such methodology.

5. Develop a plan

This step involves putting together a plan as to what is to be done. For example, if the company wants to develop and implement a flextime policy, it must decide as to what type of workers will be affected by it or whether flexitime should be given to all members or only to some designated workers.

6. Strategy for implementation of the plan

In this stage, the management must decide on the "when", "where" and "how" of the plan. This includes the right timing of putting the plan to work, how the plan will be communicated to workers in order to have the least resistance and how the implementation will be monitored.

7. Implementation of the plan

Once the right timing and right channels of communications have been established, the plan is put into action. It may be in the form of simple announcement or it may require briefing sessions or in-house seminars so as to gain acceptance of all the members and specially those who are going to be directly affected by the change.

8. Receive and evaluate feedback

Evaluation consists of comparing actual results to the set goals. Feedback will confirm if these goals are being met so that if there is any deviation between the goals and the actual performance outcomes, then corrective measures can be taken.

3.7 Resistance to Change

Resistance to change is understood to be a natural phenomenon. But not all change is resisted. In fact, if we look at any organization closely we would probably find that more changes are accepted than resisted. Accepting the fact that people have a natural instinct to adapt to their environment is the first step towards effective management of change. It has the advantage of placing people in a more positive light, but also suggests that resistance to change is unnatural behaviour. If managers accept this principle, then they can proceed to analyse the situation to find the (unnatural) cause of resistance. Failure to understand this characteristic of resistance can cause many managers to attempt to run through changes rather than try to understand the sources of the resistance.

Sources of resistance to change may be rational or emotional. Rational resistance occurs when people do not have the proper knowledge or information to evaluate the change. Providing information (in the form of data, facts, or other types of concrete information) reduces the resistance. Emotional resistance involves the psychological problems of fear, anxiety, suspicion, insecurity, and the like. These feelings are evoked because of people's perception of how the change will affect them

(a) Causes of Resistance

All changes are not resisted. Some are wanted by the workers. For instance, if the workers have to stand before a machine throughout the shift, they will like the introduction of a new machine which will allow them to sit while working. Thus, resistance to change is offset by their desire to have better working conditions. Sometimes, people themselves want change and new experience as they are fed up with the old practices and procedures. Resistance to change is caused by individual's attitudes which are influenced by many economic, psychological and social factors.

1. **Economic Factors**

These factors relate to the basic economic needs of the workers like necessities of life, job security and safety. These factors are:

(i) Workers apprehend technological unemployment

General new technology is expected to reduce the proportion of labour input and, therefore, people resist such change as it will affect their jobs security;

(ii) Workers fear that they will be idle for most of the time due to increased efficiency by new technology;

(iii) Workers may fear that they will be demoted if they do not possess the new skills required for the new jobs; and

(iv) Workers resist the change of getting higher job standards which may reduce opportunity for bonus or pay incentive.

2.Psychological Factors

These factors arise when workers perceive that factors relating to their psychological needs will be affected adversely by the proposed changes. These needs are sense of pride, achievement, self-fulfilment, etc. These factors are

(i) Workers may not like criticism implied in a change that the present method is inadequate and unsuitable;

(ii) Workers may fear that there will be fewer opportunities for developing their personal skills because new work changes will do away with the need for much manual work. This will lead to reduction of their personal pride;

(iii) Workers may apprehend boredom and monotony in the new jobs as a result of specialisation brought by the new technology;

(iv) They may fear that harder work will be required to learn and adapt to new ideas;

(v) Workers may resist a change because they do not want to take trouble in learning the new things; and

(vi) Workers may not have the knowledge of entire change or they may be incapable of the implications of new ideas or methods.

3. Social Factors

Individual do have certain social needs like friendship, belongingness, etc. for the fulfilment of which they develop informal relations in the organization. They become members of certain informal groups and act as members of the group to resist change.

a) The social reasons for resistance to change are:

(i) New organizational set up requires new social adjustments which are not liked by people because these involve stresses and strains. This also means discarding old social ties which is not tolerable to the workers.

(ii) Workers are carried by the fear that the new social set-up arising out of the change will be less satisfying than the present set up

.

(iii)Workers also resist the changes which are brought abruptly and without consulting them.

Thus, it is obvious that resistance to change tends to focus on human relations problem, although it may appear to be related to the technological aspect of change.

Workers resist the changes which will affect their social relationships, upset their status and threaten their security. A change may give them a feeling of insecurity, since it challenges their way of doing things and may bring less labour oriented processes.

Moreover, it is difficult for the workers to give up their old habits and customs. They also resist the change if they do not know it well.

(b) Symptoms of Resistance

How does resistance to change manifest itself? There are several ways. But it does not mean that these symptoms always indicate resistance. Sometimes they may be indicators of other difficulties in the organization.

1. Hostility or aggression is the immediate reaction of an individual to change. The hostility may only be expressed verbally, in the way the individual strikes at the boss, a fellow workers, or even at subordinates, but hostility and aggression can also take physical forms where the striking out is of a more intense character.
2. The individual may develop apathy towards his work. He loses interest in his work. There is more spoilage of materials, excessive idling of time, and decline in performance.
3. Absenteeism and tardiness are often signs of resistance. Perhaps these are forms of apathy or attempts on the part of the individual to escape his work environment. Separation, for example, may be an extreme illustration of this attempt to escape.
4. The development of anxiety and tension is a sure sign that resistance exists. The individual finds himself uncomfortable, shaky, and tensed up on his job.
5. At the group level additional signs of resistance are exhibited. Slow downs and strikes are the usual symptoms of group resistance. Another strategy adopted by a group to resist change is "restriction of output". Often great care is exercised in timing operations, setting standards, and otherwise working out details of a wage incentive system, and yet at least part of the work group forms into an informal group, under a leader of its own choice. This group decides what a fair days work is and develops methods of keeping the non-conformist in line. The individual who starts to respond to the incentive is held in a check by sanctions which the informal group is able to bring to bear against him.

(c) Benefits of Resistance

Contrary to popular opinion, resistance to change is not bad. Resistance can bring some benefits. It may encourage the management to re-examine its change proposals so that they are appropriate. In this way employees operate as a check and balance to ensure that the management properly plans and implements change. Resistance can also help identify specific problem areas where change is likely to cause difficulties, so that the management can take corrective action before serious problems develop. At the same time, the management may be encouraged to do a better job of communicating the change, an approach that in the long-run should lead to better acceptance. Resistance also gives management information about the intensity of employee emotions on an issue, provides emotional release for pent up employee feelings, and may encourage employee to think and talk more about a change so that they understand it better. This does not mean that resistance to change should endure. Resistance must be overcome and change introduced.

1.8 Summary

Change involves making things different. Change occurs at individual, group and organizational levels. Change is generally resisted. The causes for resistance are rational, psychological and sociological. Resistance manifests itself in the form of hostility, apathy, absenteeism, tension, strikes and slowdown of work. Resistance to change is beneficial to both the change agent and to change targets. It makes both parties take a second look at the

problem, identify irritants if any, and overcome them so that change can be implemented successfully.

Implementation of change successfully needs knowledge about the change process. Change process consists of three stages: unfreezing, changing, and refreezing.

Unfreezing refers to the casting aside of old beliefs, attitudes, and behaviours. Changing refers to the learning that has taken place. There are six approaches for introducing change. Each technique is appropriate for particular situation. It has its own merits and drawbacks. It is the wisdom of the change agent to use an appropriate technique for a particular situation. Refreezing involves making change permanent.

1.9 Keywords

Reactive change: A response that occurs when events in the environment have already affected the firm's performance; problem-driven change.

Unfreezing: Realizing that current practices are inappropriate and that new behaviour must be enacted.

Strategic management: A process that involves managers from all parts of the organization in the formulation and implementation of strategic goals and strategies.

Refreezing: Strengthening the new behaviour that support the change.

Proactive change: A response that is initiated before a performance gap has occurred.

Organizational change: The process by which organizations move from their present state to some desired future state to increase their effectiveness.

3.10 Self Assessment Questions

1. "Change for the sake of change is no change at all". Comment on this statement and show why change for the sake of change could be detrimental to the health of the organization?
2. Differentiate between the external forces and the internal forces that induce change in the organizations.
3. What are the various types of changes? Under what circumstances would each change be desirable?

1.10 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4. Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
5.Organization Development and change with Mind Taplle, Thomas, Cummings/Christopher.G.Worky, Cenage Learning India, Private Limited. 2023.

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LESSON -4

IMPLICATIONS OF CHANGE

Learning Objectives

To study the Imperative of the change
To Understand the Elements of a theory of change
To Discuss The theories of change
To Learn the Implementing the Theory of Change

Structure

4.1 Introduction
4.2 The Imperative of Change
4.3 Competitive Pressures of Implementing
4.4 Elements of a Theory of Change
4.4.1 Interfaith Alliance (GAIA).
4.5 Implementing the Theory of Change
4.6 Beneficiary Feedback
4.7 The Theories of Change Underlying Diversity
4.8 Summary
4.9 Key words
4.10 Self Assessment Questions

4.1 Introduction

The change means the alteration of status quo or making things different. It may refer to any alteration which occurs in the overall work environment of an organization. When an organizational system is disturbed by some internal or external force, the change may occur. The change is modification of the structure or process of a system, that may be good or even bad. It disturbs the existing equilibrium or status quo in an organization. The change in any part of the organization may affect the whole of the organization, or various other parts of organization in varying degrees of speed and significance. It may affect people, structure, technology, and other elements of an organization. It may be reactive or proactive in nature. When change takes place due to external forces, it is called reactive change. However, proactive change is initiated by the management on its own to enhance the organizational effectiveness. The change is one of the most critical aspects of effective management. It is the coping process of moving from the present state to a desired state that individuals, groups and organizations undertake in response to various internal and external factors that alter current realities.

Survival of even the most successful organizations cannot be taken for granted. In some sectors of the economy, organizations must have the capability to adapt quickly in order to survive. When organizations fail to change, the cost of failure may be quite high. All organizations exist in a changing environment and are themselves constantly changing. Increasingly, the organizations that emphasize bureaucratic or mechanistic systems are ineffective. The organizations with rigid hierarchies, high degree of functional specialization, narrow and limited job descriptions, inflexible rules and procedures, and impersonal management can’t respond adequately to the demands for change. The organizations need designs that are flexible and adaptive. They also need systems that require both, and allow greater commitment and use of talent on the part of employees and managers. The organizations that do not bring about timely change in appropriate ways are unlikely to

survive. One reason that the rate of change is accelerating is that knowledge and technology feed on themselves, constantly making innovations at exponential rates. Organizational change is the process by which organizations move from their present state to some desired future state to increase their effectiveness. The goal of planned organizational change is to find new or improved ways of using resources and capabilities in order to increase an organization's ability to create value and improve returns to its stakeholders. An organization in decline may need to restructure its resources to improve its fit with the environment. IBM and General Motors, for example, experienced falling demand for their products in the 1990s and have been searching for new ways to use their resources to improve their performance and attract customers back. On the other hand, even a thriving organization may need to change the way it uses its resources so that it can develop new products or find new markets for its existing products. Wal-Mart, Google, Reliance, Tata group, Godrej like companies have been moving aggressively to expand their scale of operations and open new avenues to take advantage of the popularity of their products. In the last decade, over half of all Fortune 500 companies have undergone major organizational changes to allow them to increase their ability to create value. Change may be regarded as one of the few constants of recorded history. Often society's "winners", both historical and contemporary, can be characterized by the common ability to effectively manager and exploit change situations. Individuals, societies, nations and enterprises who have at some time been at the forefront of commercial and/ or technological expansion have achieved domination, or at least 'competitive' advantage, by being innovative in thought and/or action. They have been both enterprising and entrepreneurial. It is said that management and change are synonymous; it is impossible to undertake a journey, for in many respects that is what change is, without first addressing the purpose of the trip, the route you wish to travel and with whom. Managing change is about handling the complexities of travel. It is about evaluating, planning and implementing.

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As industries and products converge, along with the markets they serve, there is a growing realization that a holistic approach to the marketing of goods and services is required, thus simplifying the purchasing decision. Strategic alliances, designed to maximize the 'added value' throughout a supply chain, while seeking to minimize costs of supply, are fast becoming the competitive weapon of the future. Control and exploitation of the supply chain make good commercial sense in fiercely competitive global markets. The packaging of what were once discrete products (or services) into what are effectively 'consumer solutions' will continue for the foreseeable future. Car producers no longer simply manufacture vehicles, they now distribute them through sophisticated dealer networks offering attractive servicing arrangements, and provide a range of financing options, many of which are linked to a variety of insurance packages.

Utility enterprises now offer far more than their original core service. Scottish power have acquired utilities in other countries and have recently moved into water, gas and telecommunications, to become a 'unified' utilities company offering 'one-stop shopping' to domestic and commercial customers. How can we manage change in such a fast moving environment without losing control of the organization and existing core competencies?

There are no easy answers and certainly no blueprints detailing best practice. Designing, evaluating and implementing successful change strategies largely depend upon the quality of the management team, in particular the team's ability to design organizations in such a way as to facilitate the change process in a responsive and progressive manner.

4.2 The Imperative of Change

Any organization that ignores change does so at its own peril. One might suggest that for many the peril would come sooner rather than later. To survive and prosper, the organizations must adopt strategies that realistically reflect their ability to manage multiple future scenarios. Drucker, for example, argued that: Increasingly, a winning strategy will require information about events and conditions outside the institution. Only with this information can a business prepare for new changes and challenges arising from sudden shifts in the world economy and in the nature and content of knowledge itself. If we take an external perspective for a moment, the average modern organization has to come to terms with a number of issues, which will create a need for internal change. Six major external

changes that organizations are currently addressing or will have to come to terms with in the new millennium are:

1. A large global marketplace made smaller by enhanced technologies and competition from abroad. The liberalization of Eastern European states, the creation of a simple European currency, e-trading, the establishment of new trading blocs such as the 'tiger' economies of the Far East, and reductions in transportation, information and communication costs, mean that the world is a different place from what it was. How does an organization plan to respond to such competitive pressures?

2. A Worldwide recognition of the environment as an influencing variable and government attempts to draw back from environmental calamity. There are legal, cultural and socio-economic implications in realizing that resource use and allocation have finite limits and that global solutions to ozone depletion, toxic waste dumping, raw material depletion, and other environmental concerns will force change on organizations, sooner rather than later. How does an individual organization respond to the bigger picture?

3. Health consciousness as a permanent trend amongst all age groups throughout the world. The growing awareness and concern with the content of food and beverage products has created a movement away from synthetic towards natural products. Concerns have been expressed about salmonella in eggs and poultry, listeria in chilled foods, BSE or 'mad cow disease' and CJD in humans, genetically engineered foodstuffs, and the cloning of animals. How does an individual organization deal with the demands of a more health-conscious population?

4. Changes in lifestyle trends are affecting the way in which people view work, purchases, leisure time and society. A more morally questioning, affluent, educated and involved population is challenging the way in which we will do business and socialize. How will people and their organization live their lives?

5. The changing workplace creates a need for non-traditional employees. Many organizations have downsized too far and created management and labour skill shortages as a result. In order to make up the shortfall, organizations are currently resorting to a core/periphery workforce, tele working, multi-skilled workers and outsourcing. A greater proportion of the population who have not been traditional employees (e.g., women with school aged children) will need to be attracted into the labour force. Equal opportunity in pay and non-pecuniary rewards will be issues in the future. How will an individual organization cope with these pressures?

6. The knowledge asset of the company, its people, is becoming increasingly crucial to its competitive wellbeing. Technological and communication advances are leading to reduced entry costs across world markets. This enables organizations to become multinational without leaving their own borders. However, marketing via the internet, communication via e-mail and other technology applications are all still reliant on the way you organize your human resources. Your only sustainable competitive weapon is your people. How do you intend managing them in the next millennium? The same way as you did in the last? communication costs, mean that the world is a different place from what it was.

4.3 Competitive Pressures of Implementing change

1. Worldwide recognition of the environment as an influencing variable and government attempts to draw back from environmental calamity. There are legal, cultural and socio-

economic implications in realizing that resource use and allocation have finite limits and that global solutions to ozone depletion, toxic waste dumping, raw material depletion, and other environmental concerns will force change on organizations, sooner rather than later. How does an individual organization respond to the bigger picture?

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A theory of change sketches the sequence of causes and effects that underlie a nonprofit's strategy, beginning with the organization's activities and ending with its intended outcome. An organization's theory of change gives you and its leadership a common framework for understanding what it aims to accomplish and how it plans to do it. If the organization is unable to describe the theory of change underlying its programs persuasively, that should raise a red flag .

4.4 Elements of a Theory of Change

A theory of change incorporates three elements:

• Activities describe what the organization does, such as provide particular services.

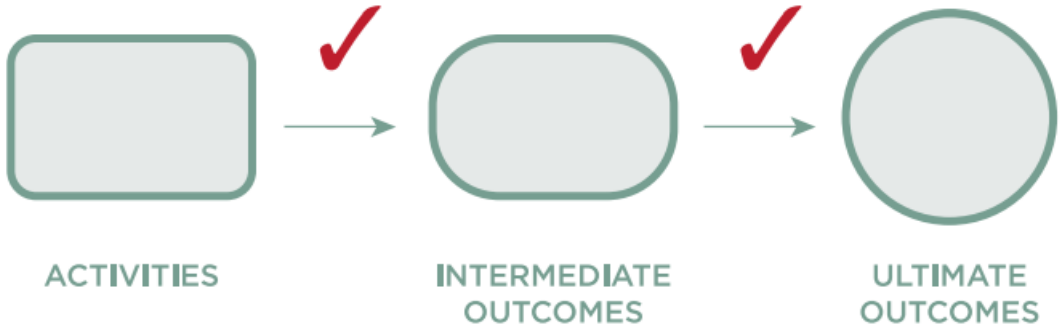
• Intermediate outcomes describe changes—often in beneficiaries 'behavior—that are predicted to occur as a result of the organization's activities and necessary to achieve its ultimate outcome.

• The ultimate outcome is what success would be in solving the problem the organization is tackling.

This theory of change proposes that if the organization provides its clients with psychological counseling, job training, and job placement assistance, then they will learn to cope with the world outside prison, succeed at job training, and acquire jobs. Counseling, job training, and placement are the activities the organization conducts. Learning to cope in society, being prepared for employment, and getting and maintaining a job are intermediate outcomes that result from those activities. As in this example, intermediate outcomes often involve changes in the beneficiaries' skills and behavior.

Next, if beneficiaries learn to cope, acquire new skills, and get jobs, then they will be less likely to engage in criminal activities. In other words, the intermediate outcomes will lead to the ultimate outcome: not reoffending.

We'll illustrate a theory of change by looking at a program designed to reduce the recidivism rate among ex-offenders recently released from prison. The program encompasses three activities: psychological counseling to help beneficiaries cope with everyday problems, job training, and assistance with job placement. Here is a theory of



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ACTIVITIES		INTERMEDIATE OUTCOMES	ULTIMATE OUTCOMES
Provide counseling	→	Client learns to cope	Client does not reoffend
Provide job training	→	Client is prepared for employment	
Provide job placement assistance	→	Client is placed in and retains job	

This theory of change proposes that if the organization provides its clients with psychological counseling, job training, and job placement assistance, then they will learn to cope with the world outside prison, succeed at job training, and acquire jobs. Counseling, job training, and placement are the activities the organization conducts. Learning to cope in society, being prepared for employment, and getting and maintaining a job are intermediate outcomes that result from those activities. As in this example, intermediate outcomes often involve changes in the beneficiaries' skills and behavior. Next, if beneficiaries learn to cope, acquire new skills, and get jobs, then they will be less likely to engage in criminal activities. In other words, the intermediate outcomes will lead to the ultimate outcome: not reoffending.

In short, a theory of change is composed of a series of if-then statements, or causal claims, that certain activities will result in specified outcomes. The difference between activities and outcomes is captured in the saying “you can lead a horse to water, but you can’t make it drink.” Leading the horse to water is an activity that the organization conducts. The horse drinking is an outcome for the horse. You might think of the horse’s drinking as an intermediate outcome, with the ultimate outcome being that the horse is adequately hydrated to be healthy and continue on its journey.

At the end of this chapter, we provide a few examples of more complex theories of change from Nurse-Family Partnership and Global AIDS

4.4.1 Interfaith Alliance (GAIA).

The Empirical Basis for a Theory of Change A theory of change is only as good as its empirical underpinnings. Its causal claims must be based on sound evidence. If the causal claims underlying the anti-recidivism program are not empirically sound, the organization likely will fail to achieve its ultimate outcome. For example ,the psychological counseling may not be adequate to help an ex-offender from being drawn into criminal activities with his former associates, or the job assistance may be ineffective.

A theory of change that seems intuitively appealing may not actually work in the face of evidence. Consider the Drug Abuse Resistance Education(DARE) program, in which police officers went into classrooms to teach students about the hazards of using illegal drugs. Because of its intuitive appeal and its founders’ aggressive marketing, DARE spread to 5,200communities in all 50 states. At its height, it was operating in 75% of American school districts. Beginning in the 1990s, however, evaluations demonstrated that the program had no positive effects and, indeed, made some students more likely to try drugs. Despite much pushback from DARE, the program eventually made changes based on the evaluation results. Today DARE teaches youth decision-making skills.

Thus, even when a strategy seems intuitively obvious, you should ask your potential grantee what evidence it has about the strength of the causal links in its theory of change.

4.5 Implementing the Theory of Change

Developing a theory of change is not a hypothetical exercise. Before an organization and its funders put time, effort, and money into implementing a program, the theory of change offers a framework forsetting out the necessary steps and seeking evidence—typically

from research or the evaluation of similar programs—that they are likely to lead to the intended outcome (or not).

If the organization decides to go forward, the theory of change also provides a framework for learning about how its implementation is actually working and to make appropriate course corrections. Among other things, an effective organization seeks answers to these important questions:

• Is the organization reaching its target population and serving their needs? Are there major gaps in its theory of change?

• Are its beneficiaries satisfied with the program? What works well and what can be improved?

• Are the programs creating any unintended harms? If so, how can those harms be avoided or mitigated?

As a donor, you will want to see what the organization plans to do and how well it is meeting its ultimate outcomes or goals Due Diligence). Equally important, you will want to know whether the organization is equipped to obtain and use the feedback necessary to make course corrections when things don't go according to plan.

The information that an organization seeks when implementing a program can be described in three general categories: getting beneficiary feedback, monitoring activities and outcomes, and evaluating the ultimate outcome

4.6 Beneficiary Feedback

Virtually every consumer-facing business gets customer feedback—whether through Yelp reviews or questions following an Amazon purchase—that can lead to improving its products and services. Feedback from the beneficiaries of nonprofit organizations is no less important for improving their products or services to ensure achieving their ultimate outcomes. Depending on the nature of their beneficiaries, organizations may use anything from open-ended qualitative questions to surveys culminating in net promoter scores

Monitoring

Monitoring involves tracking activities, intermediate outcomes, and ultimate outcomes as the organization implements its theory of change. We' llillustrate this through the recidivism program described above on page 100:

• Activities. To how many clients did the organization provide counseling, job training, and job placement assistance? At what dosage? (Ideally, it also would be valuable to have indicators of the quality of these activities.)

• Intermediate outcomes. How many clients are well-prepared for employment, and how many actually get and retain jobs?

• Ultimate outcome. How many of the clients do not reoffend within say, five years?

An effective organization will have metrics for assessing progress at each stage, and it will also have targets—for example: 70 percent of its clients will be in stable employment 12 months after program completion, 60percent will not reoffend within five years. Ambitious but realistic targets keep the staff accountable to the organization's management and keep the organization's management accountable to its beneficiaries and funders. They are an indication that the program is on course or in need of course correction

Evaluation

Returning to the anti-recidivism program, suppose that a year after the program was initiated, the incidence of recidivism among its participants has declined by 25 percent

compared to the previous year. This seems like a pretty good outcome, but is it the result of the program or some other factors?

Impact evaluation asks and answers an important question that goes beyond whether the intended outcome occurred: did the program contribute to the outcome—or might its clients' reduction in recidivism have happened anyway? Perhaps the anti-recidivism program cherry picked clients who it thought were most likely to succeed, or perhaps those ex-offenders who were most likely to succeed chose to participate in the program. Perhaps the rate of unemployment had dipped so low that it was easy for participants to find jobs even without the program's assistance.

Why incur the expense of assessing the program's contribution to the outcome? From a service provider's point of view: to improve, expand, revise, or abandon the program depending on the results. From a funder's point of view: to extend, withdraw, or set conditions for further support.

And from the broader field's point of view: to improve similar programs. What makes evaluation difficult is that it tries to compare a program's actual outcome with the outcome that would have occurred even without the intervention—what's technically called the "counterfactual," because it didn't happen.

In theory, the evaluation technique that can instill the most confidence that the intervention did or did not make a difference is a randomized controlled trial (RCT), in which beneficiaries are randomly assigned to receive or not receive the intervention. This is essentially how new drugs are tested before the FDA allows them on the market. Analogously, the state might randomly assign ex-felons to the anti-recidivism program o rleave them to cope on their own—an unfortunate choice but one that may in any event be dictated by budgetary constraints In reality, it is often difficult—as well as cost-prohibitive for many nonprofits—to conduct RCTs on social interventions. But other evaluation techniques are available, including comparing the ex-offenders' success in one program to their success in similar programs or in no program at all, even in the absence of random assignment.

Although every organization can gather feedback and monitor its progress, many organizations do not have the ability to evaluate their outcomes. Especially for small organizations, the most that one can expect is that they are faithfully implementing interventions that have been evaluated elsewhere and shown to be effective.

Developing Your Philanthropic Strategy

Most readers will use this chapter to scrutinize an organization's theory of change during the due diligence process (for more in-depth information on due diligence, see Chapter 8). If you are confident that the organizations that you support in a focus area are working effectively toward your goals, there's seldom a need to develop your own theory of change for that area.

As you perform due diligence and monitor organizations' work in an area over a number of years, you may develop your own views about which theories of change work or don't work to achieve your goals. For example, you might learn that public awareness campaigns, by themselves, are seldom successful in changing individuals' behavior unless

accompanied by targeted behavioral strategies. In effect, you will have developed your own theory of change and use this as a filter for future due diligence.

Beyond this, there may be situations in which you can only solve a problem that concerns you through a set of coordinated grants. Suppose, for example, that you wish to clean up a polluted river and this requires advocating for regulation, providing companies with technical expertise to reduce pollution, and monitoring water quality and health effects. If you cannot find an organization that's conducting all these activities, you may need to articulate your own theory of change, make gifts pursuant toit, and monitor the progress and impact of your various grantees.

4.7 The Theories of Change Underlying Diversity,

Equity, and Inclusion (DEI)

For another example of how donors may develop a theory of change for their own philanthropy, we turn to the issue of diversity, equity, and inclusion (DEI), which is extremely important in its own right. With the caveat that the term encompasses overlapping clusters of practice, its component parts might be defined as follows:

• Diversity means variation staff members and beneficiaries who reflect different demographic characteristics and life experiences from a range of identities, perspectives, and experiences.

• Equity means ensuring equal outcomes by providing staff members and beneficiaries with the support needed to eliminate unfair disparities.

• Inclusion means creating an environment of involvement, respect, and connection where diverse ideas, backgrounds, and perspectives are harnessed to create value.

Donors and private foundations may have several reasons for incorporating DEI factors in their grant making and other practices.

The Hewlett Foundation captures the breadth of rationales for DEI in its Guiding Principles:

The foundation embraces the importance of diversity, equity ,and inclusion both internally, in our hiring process and organizational culture, and externally, in our grant making and related practices. We care about and hold these values essential both because this is the right thing to do and because it is the smart thing to do.

It is right because, as an endowed institution with significant resources, our choices about how we use our assets have important consequences. In hiring staff and supporting partners to help address critical social problems, we also empower the individuals and organizations we choose. We have a duty to exercise this privilege for it is a privilege thoughtfully, mindful of the larger society of which we are part, and of the historical, economic, and cultural forces that shape it. We believe this duty includes a responsibility, in hiring staff and choosing grantees and other partners, to recognize that some groups have been historically disadvantaged, whether by virtue of race, ethnicity, socioeconomic status, gender identity, sexual orientation, ideology, religion, or other characteristics that reflect significant social categories or fractures.

Here we summarize several different rationales for DEI, some or all of nwhich may be relevant to your own philanthropy:

Focus areas and goals. Your own philanthropic goals may center around issues of equity for example reducing the over-incarceration of people of color or disparities in their health. In this case, you would support organizations that have sound theories of change and the capacity to achieve these outcomes.

Increasing philanthropic impact through improved decision making. There is considerable evidence that, whatever your particular philanthropic goals may be, having a diversity of perspectives among your staff, consultants, and partners tends to result in better decisions. A commitment to DEI may counteract tendencies toward unconscious, or implicit, bias to which all decision makers are susceptible.

4.8 Summary

To make progress on social issues, one needs to have a deep understanding of the challenges from the perspective of those who are most affected. A successful entrepreneur does not develop a product without engaging potential end-users early in the design process. Similarly, in philanthropy, it is important to engage those who are closest to the problem in developing solutions. Almost every issue or problem affects different groups of people in different ways. Understanding those who are least well-served is a good first step. Seeking and supporting leaders within these communities and engaging them as partners can lead to greater impact.

4.9 Key words

Imperative of Change - Any organization that ignores change does so at its own peril. One might suggest that for many the peril would come sooner rather than later. To survive and prosper, the organizations must adopt strategies that realistically reflect their ability to manage multiple future scenarios.

Interfaith Alliance (GAIA).-The Empirical Basis for a Theory of Change A theory of change is only as good as its empirical underpinnings. Its causal claims must be based on sound evidence. If the causal claims underlying the anti-recidivism program are not empirically sound, the organization likely will fail to achieve its ultimate outcome.

Monitoring- Monitoring involves tracking activities, intermediate outcomes, and ultimate outcomes as the organization implements its theory of change.

4.10 Self Assessment Questions

1. Briefly Explain the Imperatives of change
2. Discuss the Competitive Pressures for Implementing the change
3. Explain the Elements of Theory of change

4.11 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4. Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
5. Organization Development and change with Mind Taplle, Thomas, Cummings/Christopher.G.Worky, Cenage Learning India, Private Limited. 2023

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LESSON-5

TYPES OF CHANGES

Learning objectives

To study the Need for change management
To understand the structural models of change management
To learn the kinds of change
To elaborate Pre-Requisites for Successful Change Management

Structure

5.1 Introduction
5.2 The Need for Change Management
5.3 Kinds of change
5.4 Pre-Requisites for Successful Change Management
5.5 Structural Models of Organizational change
    5.5.1 Change Sponsor
    5.5.2 Change Agent
    5.5.3 Change teams
    5.5.4 Work Streams/Groups
    5.5.5 Commitment of the Leadership
    5.5.6 Stakeholders Awareness and Involvement
5.6 Stake holders of organizational change
5.7 Different Types of Change
    5.7.1 Happened Change
    5.7.2 Reactive Change
    5.7.3 Anticipatory Change
    5.7.4 Planned Change
    5.7.5 Incremental Change
    5.7.6 Operational Change
    5.7.7 Strategic Change
    5.7.8 Directional Change
    5.7.9 Fundamental Change
    5.7.10 Participative Change Cycle
    5.7.11 Attitudinal change
    5.7.12 Total Change
5.8 Summary
5.9 Key words
5.10 Self Assessment Questions
5.11 Suggested Readings

5.1 Introduction

The business landscape of the 21st century is characterized by rapid change brought about due to technological, economic, political and social changes.

It is no longer the case that the managers and employees of firms in this decade can look forward to more of the same every year. In fact, the pace of change is so rapid and the degree of obsolescence if organizations resist change is so brutal that the only way out for many firms is to change or perish. In this context, it becomes critical that organizations develop the capabilities to adapt and steer change in their advantage.

The role of senior managers becomes crucial in driving through change and ensuring that firms are well placed with respect to their competitors. However, it is the case that in many organizations, senior managers actively resist change and in fact thwart change initiatives due to a variety of reasons which would be explored in subsequent sections.

This Lesson examines the barriers to change by senior managers and discusses approaches to mitigate such resistance. The lesson begins with a discussion n the role of senior managers as barriers to change and then outlines some approaches on how to get the senior managers on board for change.

It goes without saying that "he who rejects change is the architect of decay and the only human institution that rejects progress is the cemetery." With this axiom in mind, it is critical to understand that unless change is actively embraced, organizations in the 21st century risk obsolescence.

To resist change is as basic as human nature and hence the change managers must adopt an inclusive approach that considers the personality clashes and the ego tussles. It is often the case that in large organizations, there tend to be power centres and fiefdoms and hence the issue of organizational change must address the group dynamics as well as the individual behavioural characteristics.

Only by an understanding of the means by which managers can be brought on board can there be a foundation for suitable approaches. The approaches include a combination of pressure tactics and coordination instead of competition and co-option as well as cooperation.

Change agents must realize that wherever possible, they must deal with consensual decision making and if that is not possible, they must walk the talk and be firm in their approach.

Managers at all levels have a tendency to resist change and in the high stakes game of change management, it is the ones that can articulate and communicate the change in a clear and coherent manner who succeed.

5.2 The Need for Change Management

In the contemporary business environment, organizations fight the battle of competition by building their adaptive capabilities and preparedness for coping against the pressures of change.

In the present scenario, top management give a lot of importance to change management process and the need for being flexible as well as adaptable for tackling the growing environmental uncertainties or competitive threats.

Change management is a complex process and requires serious attention as well as involvement from the management and people from all levels, in order to achieve a meaningful or a progressive transformation across various levels.

For being ahead in the competitive race and gaining a winning edge, organizations have been focusing on expansion of business worldwide, achieving excellence in processes and operations, implementing innovations in technology and identifying/developing the right talent.

The fast changes which have taken place and the way in which this has affected the strategies, people, policies and processes in an organization, it has become all the more imperative that organizations clearly establish a well-defined change management framework for realizing the strategic objectives.

Change is inevitable and it can only be managed, failing which the organizations may cease to exist.

In the era of globalization, organizations function across the cultural boundaries with large investments in human capital as well as physical resources, give utmost importance to technological change and innovative practices for a leadership advantage.

Business alliances like mergers, acquisitions, diversifications, takeovers and various other collaborative ventures have become the most preferred strategic best practices for the organizations to survive the fierce forces of competition, through transfer of people, technology, processes and leadership.

For successfully handling this transition and converting the threats of change into opportunities, organizations must be flexible and open for Change Management.

By improving the readiness for change, organizations can strengthen their adaptability mechanisms and build their internal competencies for facing future uncertainties or many such multiple change auguring situations.

An organization's readiness for change management influences organizational strategies and policy related decisions, as it involves a comprehensive, well planned approach and implementation of systemic interventions which would have an overall influence on the system, processes, people as well as the organizational structure as a whole.

Innovations in technology and research advancements, have created opportunities for working virtually across any part of the globe; changes in the organizational structure and hierarchy; changes in the human resource policies and regulations, has resulted in organizational reengineering and change in the style of working of employees.

For meeting the growing demands of ever changing business operations, more dynamic and flexible organizations have endorsed new methods of working like flexi work hours, work from home, freelancing opportunities, virtual method of working, business operation outsourcing and project driven operations, etc. which provide ample opportunities to the workmen to work as per their convenience and flexibility.

Organizations change for responding to the fluctuations or volatility in the business environment. Any change in order to have successful outcomes must involve comprehensive planning, focused approach and involvement of the key stakeholders in the entire process.

For any organization, people play a very vital role in driving business excellence as they are the most valuable assets. Hence, a change in the method of handling a job role, implementation of facilitating interventions and training people about the new practices or techniques, can result in impressive results in terms of the return on investment (ROI).

How organizations manage change or respond to the business transitions largely depend upon the adaptability of people or readiness of the people in understanding the changes in the process and method of handling a job.

Change management process may directly affect the human resource strategies of an organization depending upon the goals or strategies of an organization.

A well-defined change management process can help in mitigating risks related with the people side. If this aspect is ignored, it might result in increase in the overall costs, decline in productivity as well as employee motivation and increase in the absenteeism level and employee attrition.

Hence, it improves the overall preparedness of the management and the decision making authorities in understanding the need for managing change, the key processes involved in it and in understanding the operational technicalities connected with it.

Planned change if effectively implemented can be beneficial in terms of controlling costs, minimizing risks, reducing the stress and anxiety by controlling uncertainties. It helps in setting up new milestones, establishing objectives, defining priorities and identifying the limitations for driving excellence in new initiatives.

Effective Change management process help organizations in understanding the changing customer needs, meeting their demands and expectations much better since the requirements are well defined.

If implemented with proper planning, change management does not affect the day to day functioning of an organization, rather it functions concurrently. Instead it creates a scope for establishing best practices, defining the operational framework and regulations for the people, processes and system.

It engages people in the entire process and motivates them to work towards realization of a common goal or objective and deliver excellence in performance through collaborative efforts and involvement in the process as a whole.

Research in this direction proves the fact that organizations which have an established change management process are more likely to excel in meeting the business goals or achieve excellence in their project outcomes.

Effective change management is the key to realization of operational effectiveness, plays a key role in creating an optimism in the organizational environment as it has holistic outcomes and enables achievement of outcomes by defining superior benchmarks and working towards it for realization of the set benchmarks.

Organizational changeaffect the leadership thinking style and may optimize the benefits by establishing the systems and processes in place, establishing an integrated framework for achieving the developmental goals with the complete involvement of people in the end to end stages of change management cycle.

Hence, to conclude it may be appropriate to mention that change management is a planned and an integrated approach involving the support of the key stakeholders in terms of

the willingness as well as the preparedness to move from the existing state of affairs to a reformed state by accepting the transition and wholeheartedly participating in the entire process.

5.3 Kinds of change

There are different kinds of change that an organization might undertake or be forced to undertake because of internal and external factors.

The internal factors for change include reorganization and restructuring to meet the challenges of the future and also to act proactively to initiate change as a means of staying ahead of the competition.

The external factors include change that is forced upon the organization because of falling revenues, changing market conditions and the need to adapt to the ever changing business landscape.

Change can be organic which means that it evolves slowly and is like meandering up the gentle slope of a mountain. In this case, the organization and the management have enough time to prepare for change and reorient themselves accordingly. This is the kind of change that is adaptive meaning that firms have the opportunity to adapt themselves to the change.

Change can be radical which is rapid, sudden and uncertain. This is the kind of change that is disruptive and often forces organizations to reorient themselves without adequate notice and warning. It is better for organizations to anticipate change rather than be forced into accepting change that is rapid and sudden.

We have seen how managers at different levels resist change and how this resistance manifests itself. Apart from the ideological and personality issues, there is the very real possibility of change being resisted because the “visibility” of what comes next is not clear.

For instance, many managers tend to resist change because the change initiators have not clearly spelt out the outcomes of the changes and the possible impacts that such changes have on the organization. This is the realm of the “Known Unknowns” and the “Unknown Unknowns” which arise because of ambiguity, complexity and uncertainty.

Hence, the resistance to change can come about due to the lack of coherence in the vision and mission and because the change is not clearly communicated as well.

Finally, the rapidity with which change is introduced can upset the organization structures that are usually rigid and bureaucratic with bean counters at all levels resisting and actively thwarting change.

Hence, it needs to be remembered that change initiators take into account all these factors when introducing changes.

5.4 Pre-Requisites for Successful Change Management

Change Management in an organization aims at realizing the strategic goals and improving an organization’s preparedness for meeting both internal as well as external challenges, which may influence business growth and profitability.

To remain on top, today companies have to undergo through progressive transformation and evolve as per the changing business environment.
Effective Change Management involves a comprehensive and an integrated effort from all the levels of the management.

Successful change management involves consideration of several factors, which have been described below:

Effective Planning:

This is critical for ensuring successful change to happen. This stage essentially involves definition and documentation of objectives to be attained from change management and also the strategies for realizing those objectives.

It aims at addressing the vital questions of who, what, why, when, where and how involved in the implementation of any change management programme. It takes into context the current situation and equally assesses the impact of change initiatives on the futuristic strategies of the organization, the people involved in it as well as the stakeholders connected with it.

Effective Planning should consider the below factors:

Clear definition of objectives of change management and alignment of objectives with the organizational vision/mission/strategies. If the vision is not defined properly or shared, seeking the involvement of all the stakeholders in the process of change may be difficult. Lack of vision and direction, may result in misaligned approach, incompatible outcomes and may dissolve the long term benefits of change initiatives.

Documentation of the objectives, defining the road map or the development of the change plan for implementing change management successfully. Documentation of the change management objectives, provides a strategic direction and justifies the rationale of a change initiatives along with the resources required for it to happen.

It provides a bigger picture regarding the magnitude and complexities involved in the entire process of change management.

Documentation should justify the following points:
Why a change initiative is required and the factors/drivers establishing a need for change management.
What could be the possible outcomes of the change initiatives, and
How a change management effort may affect the key stakeholders, people, processes and the organization as a whole.

Change Plan must cover the following areas:

The change plan should elaborate the key objectives which are aimed at.
Highlight the strategic alternatives, direction, organizational restructuring, changes in the existing processes & people management practices to ensure successful change.
Plans for implementing the change, provide a description on how the change would be communicated to the people or the stakeholders who are connected with it.
Highlight the resources involved or the timelines within which the results are supposed to be achieved.

The changes in the HR policies and principles which may be applied particularly in relation with the staffing issues for realizing the objectives of change management.
Clear definition of the key performance indicators for reviewing the outcomes of change management and its success in meeting the objectives.
Definition of the Governance Structure/Framework for effective Change Management: In the absence of a well-defined governance framework, the success of change management efforts may fizzle away.
For a successful change to happen, the organizational structure, roles & responsibilities should be established and defined clearly to monitor the progress of change periodically and implement corrective actions for seamless transformation.

5.5 Structural Models of Organizational change

Steering Committee: It is the apex body responsible for ensuring the success of change management.

The members of the steering committee are responsible for planning and implementing strategies, providing direction and leadership for change management and ensure that the objectives of change management remain in alignment with the organizational vision/goals.

5.5.1 Change Sponsor

The change sponsor is the key person responsible who is directly responsible and accountable for the change. This may be a senior level representative who may have the responsibility of managing the resources involved in the change management process and may exercise control over the expenditure incurred in the entire process.

The Change sponsor is involved in the end to end process, is directly accountable for gathering the support and commitment of the business leaders in particular, minimizes the resistance or barriers to change management and addresses the risks associated by taking radical measures.

A change sponsor is usually someone who enjoys greater authority, is empowered and experienced in implementing vital decisions for handling the complexities in change management.

5.5.2 Change Agent

A change agent is responsible for coordinating the day to day activities and provides the needed support as well as expertise for ensuring the success of a change initiative.

5.5.3 Change teams

Change teams are the facilitators involved in extensive coordination between the various functionalities, establishes the operational framework and ensures adherence with the regulations involved in the entire process.

5.5.4 Work Streams/Groups

This involves the task forces/groups directly responsible for the realization of the specific objectives of change management.

The task forces or specialized groups within the organizations work upon the specific projects and are directly accountable for completion of the assigned responsibilities within the predefined timelines and resources.

5.5.5 Commitment of the Leadership

Leaders build the conducive organizational culture and climate for the realization of the objectives of change management. Their commitment and involvement is critical for the success of change efforts. Leaders who are transformational, visionaries and lead by example can foster an environment of cooperation and collaboration across all the levels of the organization.

5.5.6 Stakeholders Awareness and Involvement

Stakeholders involvement and participation in the entire process is critical for the success of change management. The organizations should engage the stakeholders by facilitating an environment of collaboration and communicate the objectives as well as its outcomes.

5.6 Stake holders of organizational change

Workforce Alignment: This should essentially involve an assessment of the impact of change management process on the people and establishing plans for obtaining the support of the people in the entire process by building collaborative synergies and highlighting the beneficial outcomes.

Change Management: Success Stories as well as Failures (Organizational Case Studies)

Success Stories (Pearson): In 2012, John Fallon the new CEO of the organization announced a new game plan "Global Education Strategy" for realizing the bigger objectives of business. Apart from this, he championed organizational restructuring leading to the formation of 6 different units of workforce.

The company went big by not only changing the strategies but also by implementing organizational restructuring to support the entire plan. The communication was established in a top down manner-Intranet was considered as the medium for communicating the objectives of change and also the expectations involved in it.

For realizing the strategic intent of change management, the new CEO relied heavily on new technology (intranet) for aggressive internal marketing of change initiatives and the benefits associated with it.

Failure Stories (Walmart): The giant retail player followed the strategy of Low Pricing few years ago and enjoyed a prominence in the market due to its low pricing strategy for across various categories of products.

Few years later, they introduced a change in the strategy for attracting niche customer segments who could afford higher priced products and up-scaled their items.

Due to a change in the strategy, Walmart lost its business profitability since it could neither attract the higher end customers through its products and the regular customers started looking for better bargains from the competitors.

5.7 Different Types of Change

5.7.1 Happened Change

This kind of change is unpredictable in nature and is usually takes place due to the impact of the external factors.

Happened change is profound and can be traumatic as it's consequences are unknown and out of direct control. This kind of a change happens when an organization reaches the plateau stage in its life cycle and gets victimized by the environmental pressures or demands. For example, currency devaluation may adversely affect the business of those organizations who have to depend upon importing of raw materials largely.

In certain cases, some political, as well as social changes, are unpredictable and uncontrollable.

5.7.2 Reactive Change

Changes which take place in response to an event or a chain of various events can be termed as Reactive Change.

Most of the organizations indulge in reactive change.

This kind of change usually occurs when there is an increase or decrease in the demand for company's products or services. It can also be a response to a problematic situation or a crisis which an organization may be faced with.

For example, due to the advancements in technology or growing technological changes, an organization may be forced to invest more in technology to stay ahead to face the stiff competition.

Recreation can also be regarded as a reactive change, which involves the entire organization and occurs during the stage when an organization is undergoing a serious crisis.

5.7.3 Anticipatory Change

If a change is implemented with prior anticipation of the happening of an event or a chain of events, it is called as anticipatory change. Organizations may either tune in or reorient themselves as an anticipatory measure to face the environmental pressures.

Tuning in essentially involves implementing incremental changes which mean dealing with the subsystems individually or just with the part of a system. Reorientation essentially involves changing the organization from the existing state to a desired futuristic state as an anticipatory measure and then dealing with the entire process of transition.

5.7.4 Planned Change

Planned change is also regarded as the developmental change which is implemented with the objective of improving the present ways of operation and to achieve the pre-defined goals.Planned change is calculated and is not threatening as in this the future state is being chosen consciously.

The introduction of employee welfare measures, changes in the incentive system, introduction of new products and technologies, organizational restructuring, team building, enhancing employee communication as well as technical expertise fall under the category of Planned Change.

5.7.5 Incremental Change

Change which is implemented at the micro level, units or subunits can be regarded as incremental change. Incremental changes are introduced or implemented gradually and are adaptive in nature.

It is based on the assumption that these small changes will ultimately result in a large change and establish the basis for forming a much healthier and a robust system. It even offers an opportunity to an organization to learn from its very own experiences and create the adaptive mechanisms for meeting the ultimate organizational vision.

The extent of damage due to a failed incremental change effort is expected to be much lesser than the change which is implemented on a large scale or introduced universally.

5.7.6 Operational Change

This kind of change becomes a requirement or the need when an organization is faced with competitive pressures as a result of which the focus is laid more on quality improvement or improvement in the delivery of services for an edge over the competitors.

Similarly, changes in the customer's buying patterns or demands or the internal dynamics of an organization equally necessitate the implementation of operational change.

Operational change as the name implies means introducing changes in the existing operations for realizing the intended goals. This may include bringing in changes in the current technology, improving/re-engineering the existing work processes, improving the distribution framework or the product delivery, better quality management and improving the coordination at an inter-departmental level.

5.7.7 Strategic Change

Strategic Change is usually implemented at the organizational level, which may affect the various components of an organization and also the organizational strategy. A change in the management style in an organization could be considered as an example of strategic change.

A multinational organization like Toyota has taken a step ahead in bringing in a change in the overall organizational philosophy for availing the advantages of being a leaner organization structurally, flexibility, decentralized decision making and functioning of organizations and equally allows a greater extent of freedom or autonomy in implementing proactive decisions. This kind of change is expected to have a cascading effect on the entire organization and accordingly would be having an influence on the overall performance.

5.7.8 Directional Change

Directional change may become a necessity due to the increasing competitive pressures or due to rapid changes in the governmental control or policies, which may include changes in the import/export policies, pricing structure and taxation policies, etc.

Directional change can also become imperative when an organization lacks the capability of implementing/executing the current strategy effectively or during the circumstances when a strategic change is required.

5.7.9 Fundamental Change

Fundamental Change essentially involves the redefinition of organizational vision/mission. This may be required during extremely volatile circumstances like volatility in the business environment, failure of the leadership, a decline in productivity as well as the overall turnover or problems with the morale of the employee.

5.7.10 Participative Change Cycle

This change cycle is implemented when new knowledge is made available to the individual or group. It is hoped that the group will accept the data and will develop a positive attitude and commitment in the direction of the desired change. At this level, an effective strategy may be to involve the individual or group directly in helping to select or formalise the new methods for obtaining the desired goals. This is group participation in problem-solving

5.7.11 Attitudinal change

Thus, attitude change is achieved when individuals experience feelings of uneasiness or guilt due to cognitive dissonance, and actively reduce the dissonance through changing their attitude, beliefs, or behavior relating in order to achieve consistency with the inconsistent cognitions.

5.7.12 Total Change

A Total Change involves change in the organizational vision and striking a harmonious alignment with the organizational strategy, employee morale and commitment as well as with the business performance.

Total Change becomes a requirement during those circumstances when an organization is faced with many criticalities such as long-term business failure, incongruence between the employee and organizational values, failure of leaders/management in anticipating the realities of business environment or the growing competitive pressures and concentration of power in the hands of power.

5.8 Summary

In conclusion, change is the only constant in business and the landscape of the 21st century is littered with companies that have not adapted to the changing times. Hence, organizations must and should embrace change and the approaches discussed in this paper are part of the solution.

5.9 Key words

Change teams - Change teams are the facilitators involved in extensive coordination between the various functionalities, establishes the operational framework and ensures adherence with the regulations involved in the entire process.

Change Agent-A change agent is responsible for coordinating the day to day activities and provides the needed support as well as expertise for ensuring the success of a change initiative.

Change Sponsor- The change sponsor is the key person responsible who is directly responsible and accountable for the change.

Effective Change management process help organizations in understanding the changing customer needs, meeting their demands and expectations much better since the requirements are well defined.

Planned change if effectively implemented can be beneficial in terms of controlling costs, minimizing risks, reducing the stress and anxiety by controlling uncertainties.

5.10 Self Assessment Questions

1. Briefly Discuss the Need for change Management?
2. Explain the Structural Models of change Management?
3. Describe the Kinds of change
4. Examine the Pre-Requisites for Successful Change Management

5.11 Suggested Readings

1. Organizational Behavior, Dr.C.B.Gupta, (2014), S.Chand Publications.
2.Organizational change and Development kumkum Mukherjee(2015), Pearson Publications
3. Organizational Development and Change Thomas G.Cummings, (2015), Cenage Publications.
4. Organizational Development Wendell L.French, Cocil H.Bell, Veena Vohra (2017), Pearson Publications.
5.Organizational Theory, Design and change, Gareth R.Jones, Mary Mathew (2017) Pearson Publications

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LESSON- 6

CHANGE LEVERS

Learning objectives

To study the Forces of change
To examine the level of change programs
To Understand the Managing planned change

Structure

6.1 Introduction
6.2 Forces for Change
6.2.1. External Forces
    6.2.1.1. Technology
    6.2.1.2. Marketing Conditions
    6.2.1.3. Social Changes
    6.2.1.4. Political Forces
6.2.2 Internal Forces
    6.2.2.1. Nature of the Work Force
    6.2.2.2. Change in Managerial Personnel
    6.2.2.3. Deficiencies in Existing Management Structure
    6.2.2.4. To Avoid Developing Inertia
6.3 Level of Change Programs
    6.3.1 Individual Level Change Programs
    6.3.2 Group Level Change Programs
    6.3.3 Organization Level Change Programs
6.3.4 Managing Planned Change
6.4 Summary
6.5 Key words
6.6 Self Assessment Questions
6.7 Suggested Readings

6.1 Introduction

The change means the alteration of status quo or making things different. It may refer to any alteration which occurs in the overall work environment of an organization. When an organizational system is disturbed by some internal or external force, the change may occur. The change is modification of the structure or process of a system, that may be good or even bad. It disturbs the existing equilibrium or status quo in an organization. The change in any part of the organization may affect the whole of the organization, or various other parts of organization in varying degrees of speed and significance. It may affect people, structure, technology, and other elements of an organization. It may be reactiveor proactive in nature. When change takes place due to external forces, it is called reactive change. However, proactive change is initiated by the management on its own to enhance the organizational effectiveness. The change is one of the most critical aspects of effective management. It is the coping process of moving from the present state to a desired state that individuals, groups and organizations undertake in response to various internal and external factors that alter current realities.

Survival of even the most successful organizations cannot be taken for granted. In some sectors of the economy, organizations must have the capability to adapt quickly in order to survive. When organizations fail to change, the cost of failure may be quite high. All organizations exist in a changing environment and are themselves constantly changing. Increasingly, the organizations that emphasize bureaucratic or mechanistic systems are ineffective. The organizations with rigid hierarchies, high degree of functional specialization, narrow and limited job descriptions, inflexible rules and procedures, and impersonal management can't respond adequately to the demands for change. The organizations need designs that are flexible and adaptive. They also need systems that require both, and allow greater commitment and use of talent on the part of employees and managers. The organizations that do not bring about timely change in appropriate ways are unlikely to survive. One reason that the rate of change is accelerating is that knowledge and technology feed on themselves, constantly making innovations at exponential rates.

Organizational change is the process by which organizations move from their present state to some desired future state to increase their effectiveness. The goal of planned organizational change is to find new or improved ways of using resources and capabilities in order to increase an organization's ability to create value and improve returns to its stakeholders. An organization in decline may need to restructure its resources to improve its fit with the environment. IBM and General Motors, for example, experienced falling demand for their products in the 1990s and have been searching for new ways to use their resources to improve their performance and attract customers back. On the other hand, even a thriving organization may need to change the way it uses its resources so that it can develop new products or find new markets for its existing products. Wal-Mart, Google, Reliance, Tata group, Godrej like companies have been moving aggressively to expand their scale of operations and open new avenues to take advantage of the popularity of their products. In the last decade, over half of all Fortune 500 companies have undergone major organizational changes to allow them to increase their ability to create value.

Change may be regarded as one of the few constants of recorded history. Often society's "winners", both historical and contemporary, can be characterized by the common ability to effectively manager and exploit change situations. Individuals, societies, nations and enterprises who have at some time been at the forefront of commercial and or technological expansion have achieved domination, or at least 'competitive' advantage ,by being innovative in thought and/or action. They have been both enterprising and entrepreneurial. It is said that management and change are synonymous; it is impossible to undertake a journey, for in many respects that is what change is, without first addressing the purpose of the trip, the route you wish to travel and with whom. Managing change is about handling the complexities of travel. It is about evaluating, planning and implementing Survival of even the most successful organizations cannot be taken for granted. In some sectors of the economy, organizations must have the capability to adapt quickly in order to survive. When organizations fail to change, the cost of failure may be quite high.

All organizations exist in a changing environment and are themselves constantly changing. Increasingly, the organizations that emphasize bureaucratic or mechanistic systems are ineffective. The organizations with rigid hierarchies, high degree of functional specialization, narrow and limited job descriptions, inflexible rules and procedures, and impersonal management can't respond adequately to the demands for change. The organizations need designs that are flexible and adaptive. They also need systems that require both, and allow greater commitment and use of talent on the part of employees and managers.

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Change may be regarded as one of the few constants of recorded history. Often society's "winners", both historical and contemporary, can be characterized by the common ability to effectively manager and exploit change situations. Individuals, societies, nations and enterprises who have at some time been at the forefront of commercial and/or technological expansion have achieved domination, or at least 'competitive' advantage, by being innovative in thought and/or action. They have been both enterprising and entrepreneurial. It is said that management and change are synonymous; it is impossible to undertake a journey, for in many respects that is what change is, without first addressing the purpose of the trip, the route you wish to travel and with whom. Managing change is about handling the complexities of travel. It is about evaluating, planning and implementing as industries and products converge, along with the markets they serve, there is a growing realization that a holistic approach to the marketing of goods and services is required, thus simplifying the purchasing decision. Strategic alliances, designed to maximize the 'added value' throughout a supply chain, while seeking to minimize costs of supply, are fast becoming the competitive weapon of the future.

Control and exploitation of the supply chain make good commercial sense in fiercely competitive global markets. The packaging of what were once discrete products (or services) into what are effectively 'consumer solutions' will continue for the foreseeable future. Car producers no longer simply manufacture vehicles, they now distribute them through sophisticated dealer networks offering attractive servicing arrangements, and provide a range of financing options, many of which are linked to a variety of insurance packages. Utility enterprises now offer far more than their original core service. Scottish power have acquired utilities in other countries and have recently moved into water, gas and telecommunications, to become a 'unified' utilities company offering 'one-stop shopping' to domestic and commercial customers. How can we manage change in such a fast moving environment without losing control of the organization and existing core competencies? There are no easy answers and certainly no blueprints detailing best practice. Designing, evaluating and implementing successful change strategies largely depend upon the quality of the management team, in particular the team's ability to design organizations in such a way as to facilitate the change process in a responsive and progressive manner. The Imperative of

Change Any organization that ignores change does so at its own peril. One might suggest that for many the peril would come sooner rather than later. To survive and prosper, the organizations must adopt strategies that realistically reflect their ability to manage multiple future scenarios. Drucker, for example, argued that: Increasingly, a winning strategy will require information about events and conditions outside the institution. Only with this information can a business prepare for new changes and challenges arising from sudden shifts in the world economy and in the nature and content of knowledge itself. If we take an external perspective for a moment, the average modern organization has to come to terms with a number of issues, which will create a need for internal change. Six major external changes that organizations are currently addressing or will have to come to terms with in the new millennium are:

1. A large global marketplace made smaller by enhanced technologies and competition from abroad. The liberalization of Eastern European states, the creation of a simple European currency, e-trading, the establishment of new trading blocs such as the 'tiger' economies of the Far East, and reductions in transportation, information and communication costs, mean that the world is a different place from what it was. How does an organization plan to respond to such competitive pressures?

2. A Worldwide recognition of the environment as an influencing variable and government attempts to draw back from environmental calamity. There are legal, cultural and socioeconomic implications in realizing that resource use and allocation have finite limits and that global solutions to ozone depletion, toxic waste dumping ,raw material depletion, and other environmental concerns will force change on organizations, sooner rather than later. How does an individual organization respond to the bigger picture?

3. Health consciousness as a permanent trend amongst all age groups throughout the world. The growing awareness and concern with the content of food and beverage products has created a movement away from synthetic towards natural products.
Concerns have been expressed about salmonella in eggs and poultry, listeria in chilled foods, BSE or 'mad cow disease' and CJD in humans, genetically engineered foodstuffs, and the cloning of animals. How does an individual organization deal with the demands of a more health-conscious population?

4. Changes in lifestyle trends are affecting the way in which people view work, purchases, leisure time and society. A more morally questioning, affluent, educated and involved population is challenging the way in which we will do business and socialize. How will people and their organization live their lives?

5. The changing workplace creates a need for non-traditional employees. Many organizations have downsized too far and created management and labour skill shortages as a result. In order to make up the shortfall, organizations are currently resorting to a core/periphery workforce, teleworking, multi-skilled workers and outsourcing. A greater proportion of the population who have not been traditional employees (e.g., women with school aged children) will need to be attracted into the labour force. Equal opportunity in pay and non-pecuniary rewards will be issues in the future. How will an individual organization cope with these pressures?

6. The knowledge asset of the company, its people, is becoming increasingly crucial to its competitive wellbeing. Technological and communication advances are leading to reduced entry costs across world markets. This enables organizations to become multinational without

leaving their own borders. However, marketing via the internet, communication via e-mail and other technology applications are all still reliant on the way you organize your human resources. Your only sustainable competitive weapon is your people. How do you intend managing them in the next millennium? The same way as you did in the last? communication costs, mean that the world is a different place from what it was. How does an organization plan to respond to such competitive pressures?

7. A Worldwide recognition of the environment as an influencing variable and government attempts to draw back from environmental calamity. There are legal, cultural and socio-economic implications in realizing that resource use and allocation have finite limits and that global solutions to ozone depletion, toxic waste dumping, raw material depletion, and other environmental concerns will force change on organizations, sooner rather than later. How does an individual organization respond to the bigger picture?

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6.2 Forces for Change

There are a number of factors both internal and external which affect organizational functioning. Any change in these factors necessitates changes in an organization. The more important factors are as follows:

6.2.1. External Forces

External environment affects the organizations both directly and indirectly. The organizations do not have any control over the variables in such an environment. Accordingly, the organization cannot change the environment but must change themselves to align with the environment. A few of these factors are:

6.2.1.1. Technology

Technology is the major external force which calls for change. The adoption of new technology such as computers, telecommunication systems and flexible manufacturing operations have profound impact on the organizations that adopt them.

The substitution of computer control for direct supervision, is resulting in wider spans of control for managers and flatter organizations. Sophisticated information technology is also making organizations more responsive: Both the organizations and their employees will have to become more adaptable.

Many jobs will be reshaped. Individuals who do routine, specialized and narrow jobs will be replaced by workers who can perform multiple in decision making. Managements will have to increase their investment in training and education of the employees because employees skills are becoming obsolete more quickly Japanese firms have progressed rapidly because they are very fast in adopting new technological innovations.

6.2.1.2. Marketing Conditions

Marketing conditions are no more static. They are in the process of rapid change as the needs, desires and expectations of the customers change rapidly and frequently. Moreover, there is tough competition in the market as the market is flooded with new products and innovations every day. New methods of advertising are used to influence the customers. Today the concept of consumerism has gained considerable importance and thus, the consumers are treated as the kings.

Moreover, the competition today has some significant new twists. Most markets will soon be international because of decreasing transportation and communication costs and the increasing export orientation of business.

The global economy will make sure that competitors are likely to come across the ocean as well as from across town. Successful organizations will be those who can change in response to the competition. Organizations that are not ready for these new sources of competition in the next decade may not exist for long.

6.2.1.3. Social Changes

Social and cultural environment also suggest some changes that the organizations have to adjust for. There are a lot of social changes due to spread of education, knowledge and a lot of government efforts. Social equality e.g. equal opportunities to women, equal pay for equal work, has posed new challenges for the management. The management has to follow certain social norms in shaping its employment, marketing and other policies.

6.2.1.4. Political Forces

Political environment within and outside the country have an important impact on business especially the transnational corporations. The interference of the government in business has increased tremendously in most of the countries. The corporate sector is

regulated by a lot of laws and regulations. The organizations do not have any control over the political and legal forces, but they have to adapt to meet the pressure of these forces.

In our country, the new economic policy has liberalized the economy to a large extent. Many of the regulatory laws have been amended to reduce the interference of the Government in business. An organization is also affected by the world politics. Some of the changes in the world politics which have affected business all over the world are e.g. there unification of Germany, Iraq's invasion of Kuwait and the break of Soviet Union.

6.2.2 Internal Forces

Internal forces are too many and it is very difficult to list them comprehensively. However, major internal causes are explained as follows:

6.2.2.1. Nature of the Work Force

The nature of work force has changed over a passage of time. Different work values have been expressed by different generations. Workers who are in the age group of 50 plus has the value loyalty to their employers. Workers in their mid thirties to mid forties are loyal to themselves only. The youngest generation of workers is loyal to their careers.

The profile of the workforce is also changing fast. The new generation of workers have better educational qualifications, they place greater emphasis on human values and question authority of managers. Then behaviour has also become very complex and leading them towards organizational goals is a challenge for the managers. The employee turnover is also very high which again puts strain on the management. The work force is changing, with a rapid increase in the percentage of women employees, which in turn means, more dual career couples. Organizations have to modify transfer and promotion policies as well as make child care and elder care available, in order to respond to the needs of two career couple.

6.2.2.2. Change in Managerial Personnel

Change in managerial personnel is another force which brings about change in organization. Old managers are replaced by new managers which is necessitated because of promotion, retirement, transfer or dismissal. Each managers brings his own ideas and way of working in the organization. The informal relationships change because of changes in managerial personnel. Sometimes, even though there is no change in personnel, but their attitudes change. As a result, the organization has to change accordingly.

Changes in the organization are more fast when top executives change. Change in top executives will lead to important changes in the organization in terms of organization design, allocation of work to individuals, delegation of authority, installation of controls etc. All these changes will be necessitated because every top executive will have his own style and he will like to use his own ideas and philosophies.

6.2.2.3. Deficiencies in Existing Management Structure

Sometimes changes are necessary because of some deficiencies in the existing organizational structure, arrangement and processes. These deficiencies may be in the form of unmanageable span of management, larger number of managerial levels, lack of coordination among various departments, obstacles in communication, multiplicity of committees, lack of uniformity in policy decisions, lack of cooperation between line and staff and so on. However, the need for change in such cases goes unrecognised until some major crisis occurs.

6.2.2.4. To Avoid Developing Inertia

In many cases, organizational changes take place just to avoid developing inertia or inflexibility. Conscious managers take into account this view that organization should be dynamic because any single method is not the best tool of management every time. Thus, changes are incorporated so that the personnel develop liking for change and there is no unnecessary resistance when major changes in the organization are brought about

6.3 Level of Change Programs

The various types of change programs may be classified into individual level changes, group level changes and organizational level changes.

6.3.1 Individual Level Change Programs

Individual level changes may take place due to changes in job assignment, transfer of an employee to a different location or the changes in the maturity level of a person which occurs over a passage of time. The general opinion is that change at the individual level will not have significant implications for the organization. But this is not correct because individual level changes will have impact on the group which in turn will influence thewhole organization. Therefore, a manager should never treat the employees in isolation but he must understand that the individual level change will have repercussions beyond the individual.

6.3.2 Group Level Change Programs

Management must consider group factors while implementing any change, because most of the organizational changes have their major effects at the group level. The groups in the organization can be formal groups or informal groups. Formal groups can always resist change for example, the trade unions can very strongly resist the changes proposed by the management. Informal groups can pose a major barrier to change because of the inherent strength they contain. Changes at the group level can affect the work flows, job design, social organization, influence and status systems and communication patterns.

The groups, particularly the informal groups have a lot of influence on the individual members on the group. As such by effectively implementing change at the group level, resistance at the individual level can be frequently overcome.

6.3.3 Organization Level Change Programs

The organizational level change involves major programmes which affect both the individuals and the groups. Decisions regarding such changes are made by the senior management. These changes occur over long periods of time and require considerable planning for implementation. A few different types or organization level changes are:

1. Strategic Change: Strategic change is the change in the very basic objectives or missions of the organization. A single objective may have to be changed to multiple objectives. For example,a lot of Indian companies are being modified to accommodate various aspect of global culture brought in by the multinational or transnational corporations.

2. Structural Change: Organizational structure is the pattern of relationships among various positions and among various position holders. Structural change involves changing the internal structure of the organization. This change may be in the whole set of relationships, work assignment and authority structure. Change in organization structure is required because old relationships and interactions no longer remain valid and useful in the changed circumstances.

3. Process Oriented Change: These changes relate to the recent technological developments, information processing and automation. This will involve replacing or retraining personnel, heavy capital equipment investment and operational changes. All this will affect the organizational culture and as a result the behaviour pattern of the individuals.

4. People Oriented Change: People oriented changes are directed towards performance improvement, group cohesion, dedication and loyalty to the organization as well as developing a sense of self actualization among members. This can be made possible by closer interaction with employees and by special behavioral training and modification sessions. To conclude, we can say that changes at any level affect the other levels. The strength of the effect will depend on the level or source of change.

6.3.4 Managing Planned Change

A planned change is a change planned by the organization, it does not happen by itself. It is affected by the organization with the purpose of achieving something that might otherwise by unattainable or attainable with great difficulty. Through planned change, an organization can achieve its goals rapidly.

The basic reasons for planned change are.

To improve the means for satisfying economic needs of members
To increase profitability
To promote human work for human beings
To contribute to individual satisfaction and social well being.

In introducing planned change, the basic problem before management is to handle it in such a way that there would be necessary adjustment in various forces. For this purpose, the manager who has to act as the change agent, has to go through a particular process. The planned change process may comprise basically the following three steps.

1. Planning for change
2. Assessing change forces
3. Implementing the change

Planning for Change

The first step in the process of change is to identify the next for change and the area of changes as to whether it is a strategic change, process oriented change or employee oriented change. This need for change can be identified either through internal factors or through external factors.

Once this need is identified, the following general steps can be taken.

(i) Develop New Goals and Objectives: The manager must identify as to what new outcomes they wish to achieve. This may be a modification of previous goals due to changed internal and external environment or it may be a new set of goals and objectives.

(ii) Select an Agent of Change: The next step is that the management must decide as to who will initiate and oversee this change. One of the existing managers may be assigned this duty or even sometimes specialists and consultants can be brought in from outside to suggest the various methods to bring in the change and monitor the change process.

(iii) Diagnose the Problem: The person who is appointed as the agent of change will then gather all relevant data regarding the area or the problem where the change is needed. This data should be critically analysed to pinpoint the key issues. Then the solutions can be focused on those key issues.

(iv) Select Methodology: The next important step is selecting a methodology for change which would be commonly acceptable and correct. As the human tendency is to resist the change, employee's emotions must be taken into consideration when devising such methodology.

(v) Develop a Plan: After devising the methodology, the next step will be to put together a plan as to what is to be done. For example, if the management wants to change the promotion policy, it must decide as to what type of employees will be affected by it, whether to change the policy for all the departments at once or to try it on a few selected departments first

(vi) Strategy for Implementation of the Plan: In this stage, the management must decide on the 'when', 'where' and 'how' of the plan. This include the right time of putting the plan to work, how the plan will be communicated to the employees' in order to have the least resistance and how the implementation will be monitored.

Assessing Change Forces

The planned change does not come automatically, rather there are many forces in individuals, groups and organization which resist such change. The change process will never be successful unless the cooperation of employees is ensured. Therefore, the management will have to create an environment in which change will be amicably accepted by people. Ifthe management can overcome the resistance the change process will succeed.

In a group process, there are always some forces who favour the change and some forces who are against the change. Thus, an equilibrium is maintained. Kurt lewin calls in the "field of forces". Lewin assumes that in every situation there are both driving and restraining forces which influence any change that may occur.

Driving Forces are those forces, which affect a situation by pushing in a particular direction. These forces tend to initiate the change and keep it going. Restraining Forces act to restrain or decrease the driving forces. Equilibrium is reached when the sum of driving forces equals the sum of the restraining forces.

There may be three types of situations, as both driving and restraining forces are operating:

(i) If the driving forces far out weight the restraining forces, management can push driving forces and overpower restraining forces.

(ii) If restraining forces are stronger than driving forces, management either gives up the change programme or it can pursue it by concentrating on driving forces and changing restraining forces into driving ones or immobilizing them.

(iii) If driving and restraining forces are fairly equal, management can push up driving forces and at the same time can convert or immobilize restraining forces. Thus, to make the people accept the changes, the management must push driving forces and convert or immobilise the restraining forces

Implementing Change

Once the management is able to establish favourable conditions, the right timing and right channels of communication have been established the plan will be put into action. It may be in the form of simple announcement or it may require briefing sessions or in house seminars so as to gain acceptance of all the members and specially those who are going to be directly affected by the change. After the plan has been implemented there should be evaluation of the plan which comprises of comparing actual results to the objectives.

Feedback will confirm if these goals are being met so that if there is any deviation between the goals and actual performance, corrective measures can be take

6.4 Summary

Success at large-scale transformation demands more than the best strategic and tactical plans, the traditional focus of senior executives and their advisers. It requires an intimate understanding of the human side, as well — the company's culture, values, people, and behaviors that must be changed to deliver the desired results. Plans themselves do not capture value. Value is realized only through the sustained, collective actions of thousands or tens of thousands of employees who are responsible for designing, executing, and living the change.

6.5 Key words

Technology- Technology is the major external force which calls for change. The adoption of new technology such as computers, telecommunication systems and flexible manufacturing operations have profound impact on the organizations that adopt them

Individual Level Change Programs- Individual level changes may take place due to changes in job assignment, transfer of an employee to a different location or the changes in the maturity level of a person which occurs over a passage of time.

Group Level Change Programs- Management must consider group factors while implementing any change, because most of the organizational changes have their major effects at the group level. The groups in the organization can be formal groups or informal groups

Organization Level Change Programs- The organizational level change involves major programmes which affect both the individuals and the groups. Decisions regarding such changes are made by the senior management.

6.6 Self Assessment Questions

1. Explain the Forces of changes
2. Discuss the Level of change Programs
3. Describe the Managing Planned change

6.7 Suggested Readings

1. Organizational Behavior, Dr.C.B.Gupta, (2014), S.Chand Publications.
2.Organizational change and Development kumkum Mukherjee(2015), Pearson Publications
3. Organizational Development and Change Thomas G.Cummings, (2015), Cenage Publications.
4. Organizational Development Wendell L.French, Cocil H.Bell, Veena Vohra (2017), Pearson Publications.
5.Organizational Theory, Design and change, Gareth R.Jones, Mary Mathew (2017) Pearson Publications

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LESSON -7
LEVELS OF CHANGE

Learning objectives

To Discuss the forces of organizational change;
To Make aware about the levels of change;
To Understand different types of changes;
To Know the reasons and causes of resistance to change; and
To Understand how the steps in managed change

Structure

7.1 Introduction
7.2 Concept of Organizational Change
7.3 Forces for Change
7.4 Levels of Change
    7.4.1 Individual Level Change
    7.4.2 Group Level Changes
    7.4.3 Organization Level Changes
7.5 Types of Change
    7.5.1 Strategic Change
    7.5.2 Structural Change
7.5.3 Process-oriented Change
7.5.4 People-oriented Change
7.6 Steps in Managed Change
    7.6.1. Develop new goals and objectives
    7.6.2. Select an agent for change
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7.1 Introduction

Organization is a social system. All parts of organization affect all other parts. That is, there is so much of interrelationship of parts that anything happening at one end is transmitted to the other end. This interrelationship is not only between the elements and parts of organization, but also with the environment around it. When organization functions, these relationship and interrelationships get established and gradually organization obtains a systematized and orderly behaviour. The whole system is said to be in equilibrium. This becomes an established way of life and any disturbance to this established way of life

naturally exercises pressure on some elements which are accustomed to that way of life. This event evokes a reaction which may suggest acceptance of it, lack of interest in it or there may be counter pressure opposed to the disturbance. In some cases, the impact of accepting or ignoring a disturbance may not be much different, but otherwise, the former connotes cooperation and the latter, lack of interest.

The term 'change' refers to any alternation which occurs in the overall work environment of an organization. It is to be emphasized that 'change is the law of nature'.

Nothing is permanent except change. Change has the following characteristics:
(i) Change often results from the pressure of forces which are both outside and inside the organization;
(ii) The whole organization tends to be affected by the change in any part of it; and
(iii) Change takes place in all parts of the organization, but at varying rates of speed and degrees of significance.

An organizational is an open system which means that it is in a constant interactional and interdependent relationship with its environment. Any change in its external environment, such as changes in consumer tastes and preferences, competition, economic policies of the Government, etc., make it imperative for an organization to make changes in its internal system. Further, organization is composed of a number of subsystem, which are also in a dynamic relationship of interaction and interdependence.

Organizations are facing larger and more frequent changes in the current economic climate. A changing marketplace, empowered workforce and technological advancements have created an environment where change is now a part of everyday business. In this environment, organizations are beginning to recognize the importance of building the competency to rapidly and successfully change. with one another. Any change in a subsystem creates a chain of changes throughout the entire system.

7.2 Concept of Organizational Change

The term 'organizational change' implies the creation of imbalances in the existing pattern of situation. When an organization operates and functions for a long time, an adjustment between its technical, human and structural set-up is established. It tends to approximate an equilibrium in relation to its environment. In other words, organization members evolve a tentative set of relations with the environment. They have an adjustment with their job, working conditions, friends and colleagues etc. Change requires individuals to make new adjustments. Hence the fear of adjustment gives rise to the problem of change and resistance to change. Individual comes in to danger. On the other hand, groups resist change where their existence is in danger or a total change in overall work environment is contemplated.

Management of change may be defined as a conscious and concerted initiative by those who are in-charge of the destiny of the business undertaking or firm to keep a constant and intelligent watch over the behaviour of uncontrollable forces, to assess their impact and influence of the controllable forces, and to evolve appropriate strategies and action programmes to maintain a dynamic equilibrium between the controllable and uncontrollable forces. The controllable forces are those forces about which sufficient information is available. Such forces can be managed easily. Uncontrollable forces are those about which

not much is known. These forces exert a powerful influence on the behaviour of controllable forces and limit the scope of managerial action.

7.3 Forces For Change

Organizations encounter many different forces for change. These forces come from external sources outside the organization and from internal sources. Awareness of these forces can help managers determine when they should consider implementing an organizational change. The external and internal forces for change are as follows:

(a) External Forces

External forces for change originate outside the organization. Because these forces have global effects, they may cause an organization to question the essence of what business it is in and the process by which products and services are produced. There are four key external forces for change: demographic characteristics, technological advances, market changes, and social and political pressures.

(i) Demographic Characteristics

Organizations need to effectively manage diversity if they are to receive maximum contribution and commitment from employees.

(ii) Technological Advancements

Both manufacturing and service organizations are increasingly using technology as a means to improve productivity and market competitiveness. Manufacturing companies, for instance, have automated their operations with robotics, computerized numerical control (CNC) which is used for metal cutting operations, and computer-aided design (CAD). CAD is a computerized process of drafting and designing engineering drawings of products. Companies have just begun to work on computer-integrated manufacturing (CIM). This highly technical process attempts to integrate product design with product planning, control, and operations. Office automation consists of a host of computerized technologies that are used to obtain, store, analyse, retrieve, and communicate information.

(iii) Market Changes -The emergence of a global economy is forcing Indian companies to change the way they do business. Companies are having to forge new partnerships with their suppliers in order to deliver higher quality products at lower prices.

(b) External Forces

External forces for change originate outside the organization. Because these forces have global effects, they may cause an organization to question the essence of what business it is in and the process by which products and services are produced. There are four key external forces for change: demographic characteristics, technological advances, market changes, and social and political pressures.

7.4 Levels of Change

Change can be at individual, group and organizational levels:

7.4.1 Individual Level Change

At the individual level change is reflected in such developments as changes in a job assignment, physical move to a different location, or the change in maturity of a person which occurs overtime. It is said that changes at the individual level will seldom have significant implications for the total organization. This is not true because a significance change at the individual level will have its repercussions on the group which, in turn, might

influence the wider organization. A manager who desires to implement a major change at the individual level, transferring an employee for instance, must understand that the change will have repercussions beyond the individual.

7.4.2 Group Level Changes

Most organizational changes have their major effects at the group level. This is because most activities in organizations are organized on group basis. The groups could be departments, or informal work groups. Changes at the group level can affect work flows, job design, social organization, influence and status systems, and communication patterns.

Managers must consider group factors when implementing change. Informal groups can pose a major barrier to change because of the inherent strengths they contain.

Formal groups can resist change, as exemplified by the resistance demonstrated by unions to the changes proposed by management. Because of the powerful influence that groups can have on individuals, effective implementation of change at the group level can frequently overcome resistance at the individual level

7.4.3 Organization Level Changes

Change at this level involves major programmes that affect both individuals and groups. Decisions regarding these changes are generally made by senior management andare seldom implemented by only a single manager. Frequently they occur over long periods of time and require considerable planning for implementation. Example of these changes would be reorganization of the organization structure and responsibilities, revamping of employee remuneration system, or major shifts in an organization's objectives. Change at the organizational level is generally referred to as organization development.

7.5 Types of Change

There are various areas within the organizational domain where changes can be brought about for operational enhancement of the organization as well as desirable behaviour of members. The various types of changes that can have considerable impact on the organizational culture are:

7.5.1 Strategic Change

This is a change in the very mission of the organization. A single mission may have to be changed to multiple missions. For example, when British Airways acquired a major part of U.S. Air, the culture of the entire organization had to be modified to accommodate various aspects of American organizational culture into the British organizational culture.

7.5.2 Structural Change

Decentralized operations and participative management style have seen more recent trends in the organizational structure. Since these structural changes shift the authority and responsibility to generally lower level management, it has a major impact on an organization's social climate and members have to be prepared to develop a team spirit as well as acquire skills to make on-the-spot decisions at points of operations.

7.5.3 Process-oriented Change

These changes relate to technological developments, information processing, automation and use of robotics in the manufacturing operations. This means replacing or retraining personnel, heavy capital equipment investment and operational changes. This

would affect the organizational culture and hence changes in the behaviour patterns of members.

7.5.4 People-oriented Change

Even though, any organizational change affects people in some form, it is important that the behaviour and attitudes of the members be predictable and in accordance with the expectations of the organization and be consistent with the mission and policies of the enterprise. These changes are directed towards performance improvement, group cohesion, dedication and loyalty to the organization as well as developing a sense of self-actualization among the members. These can be developed by closer interaction with employees and by special behavioural training and modification sessions.

7.6Steps in Managed Change

The first step in the change process is to identify the need for change and the area of change as to whether it is strategic change, process-oriented change or employee oriented change. This need for change can be identified either through internal factors ort hrough external forces that may be in place. Once this need is identified, the following steps can be taken to implement such change:

7.6.1. Develop new goals and objectives

The managers must identify as to what new outcomes they wish to achieve. This may be a modification of previous goals due to changed internal and external environmental or it may be a new set of goals and objectives.

7.6.2. Select an agent for change

The management must decide as to who will initiate and oversee this change. A manager may be assigned this duty or even outside specialists and consultants can be brought in to suggest the various methods to bring in the change and monitor the change process.

7.6.3. Diagnose the problem

It is important to gather all pertinent data regarding the area or the problem where the change is needed. This data should be critically analysed to pinpoint the key issues. Then the solutions can be focused on those key issues.

7.6.4. Select methodology

Because of natural resistance to change, it is very important to chart out a methodology for change which would be correct and acceptable to all. Member's emotions must be taken into consideration when devising such methodology.

7.6.5. Develop a plan

This step involves putting together a plan as to what is to be done. For example, if the company wants to develop and implement a flexi time policy, it must decide as to what type of workers will be affected by it or whether flexi time should be given to all members or only to some designated workers.

7.6.6. Strategy for implementation of the plan

In this stage, the management must decide on the "when", "where" and "how" of the plan. This includes the right timing of putting the plan to work, how the plan will be communicated to workers in order to have the least resistance and how the implementation will be monitored.

7.6.7. Implementation of the plan

Once the right timing and right channels of communications have been established, the plan is put into action. It may be in the form of simple announcement or it may require briefing sessions or in-house seminars so as to gain acceptance of all the members and specially those who are going to be directly affected by the change.

7.6.8. Receive and evaluate feedback

Evaluation consists of comparing actual results to the set goals. Feedback will confirm if these goals are being met so that if there is any deviation between the goals and the actual performance outcomes, then corrective measures can be taken.

7.7 Resistance To Change

Resistance to change is understood to be a natural phenomenon. But not all change is resisted. In fact, if we look at any organization closely we would probably find that more changes are accepted than resisted. Accepting the fact that people have a natural instinct to adapt to their environment is the first step towards effective management of change. It has the advantage of placing people in a more positive light, but also suggests that resistance to change is unnatural behaviour. If managers accept this principle, then they can proceed to analyse the situation to find the (unnatural) cause of resistance. Failure to understand this characteristic of resistance can cause many managers to attempt to run through changes rather than try to understand the sources of the resistance.

Sources of resistance to change may be rational or emotional. Rational resistance occurs when people do not have the proper knowledge or information to evaluate the change. Providing information (in the form of data, facts, or other types of concrete information) reduces the resistance. Emotional resistance involves the psychological problems of fear, anxiety, suspicion, insecurity, and the like. These feelings are evoked because of people's perception of how the change will affect them.

(a) Causes of Resistance

All changes are not resisted. Some are wanted by the workers. For instance, if the workers have to stand before a machine throughout the shift, they will like the introduction of a new machine which will allow them to sit while working. Thus, resistance to change is offset by their desire to have better working conditions.

Sometimes, people themselves want change and new experience as they are fed up with the old practices and procedures. Resistance to change is caused by individual's attitudes which are influenced by many economic, psychological and social factors.

1. Economic Factors

These factors relate to the basic economic needs of the workers like necessities of life, job security and safety. These factors are:

(i) Workers apprehend technological unemployment. General new technology is expected to reduce the proportion of labour input and, therefore, people resist such change as it will affect their jobs security;

(ii) Workers fear that they will be idle for most of the time due to increased efficiency by new technology;

(iii) Workers may fear that they will be demoted if they do not possess the new skills required for the new jobs; and

(iv) Workers resist the change of getting higher job standards which may reduce opportunity for bonus or pay incentive.

2. Psychological Factors

These factors arise when workers perceive that factors relating to their psychological needs will be affected adversely by the proposed changes. These needs are sense of pride, achievement, self-fulfilment, etc. These factors are

(i) Workers may not like criticism implied in a change that the present method is inadequate and unsuitable;

(ii) Workers may fear that there will be fewer opportunities for developing their personal skills because new work changes will do away with the need for much manual work. This will lead to reduction of their personal pride;

(iii) Workers may apprehend boredom and monotony in the new jobs as a result of specialization brought by the new technology;

(iv) They may fear that harder work will be required to learn and adapt to new ideas;

(v) Workers may resist a change because they do not want to take trouble in learning the new things; and

(vi) Workers may not have the knowledge of entire change or they may be incapable of the implications of new ideas or methods.

3. Social Factors

Individual do have certain social needs like friendship, belongingness, etc. for the fulfillment of which they develop informal relations in the organization. They become members of certain informal groups and act as members of the group to resist change.

The social reasons for resistance to change are:

(i) New organizational set up requires new social adjustments which are not liked by people because these involve stresses and strains. This also means discarding old social ties which is not tolerable to the workers.

(ii) Workers are carried by the fear that the new social set-up arising out of the change will be less satisfying than the present set up.

(iii) Workers also resist the changes which are brought abruptly and without consulting them.

Thus, it is obvious that resistance to change tends to focus on human relations problem, although it may appear to be related to the technological aspect of change. Workers resist the changes which will affect their social relationships, upset their status and threaten their security. A change may give them a feeling of insecurity, since it challenges their way of doing things and may bring less labour oriented processes

Moreover, it is difficult for the workers to give up their old habits and customs. They also resist the change if they do not know it well.

(b) Symptoms of Resistance

How does resistance to change manifest itself? There are several ways. But it does not mean that these symptoms always indicate resistance. Sometimes they may be indicators of other difficulties in the organization.

1.Hostility or aggression is the immediate reaction of an individual to change. The hostility may only be expressed verbally, in the way the individual strikes at the boss, a fellow

workers, or even at subordinates, but hostility and aggression can also take physical forms where the striking out is of a more intense character.
2. The individual may develop apathy towards his work. He loses interest in his work. There is more spoilage of materials, excessive idling of time, and decline in performance.
3. Absenteeism and tardiness are often signs of resistance. Perhaps these are forms of apathy or attempts on the part of the individual to escape his work environment. Separation, for example, may be an extreme illustration of this attempt to escape.
4. The development of anxiety and tension is a sure sign that resistance exists. The individual finds himself uncomfortable, shaky, and tensed up on his job.
5. At the group level additional signs of resistance are exhibited. Slow downs and strikes are the usual symptoms of group resistance. Another strategy adopted by a group to resist change is "restriction of output". Often great care is exercised in timing operations, setting standards, and otherwise working out details of a wage incentive system, and yet at least part of the work group forms into an informal group, under a leader of its own choice. This group decides what a fair days work is and develops methods of keeping the non-conformist in line. The individual who starts to respond to the incentive is held in a check by sanctions which the informal group is able to bring to bear against him.

(c) Benefits of Resistance

Contrary to popular opinion, resistance to change is not bad. Resistance can bring some benefits. It may encourage the management to re-examine its change proposals so that they are appropriate. In this way employees operate as a check and balance to ensure that the management properly plans and implements change. Resistance can also help identify specific problem areas where change is likely to cause difficulties, so that the management can take corrective action before serious problems develop. At the same time, the management may be encouraged to do a better job of communicating the change, an approach that in the long-run should lead to better acceptance. Resistance also gives management information about the intensity of employee emotions on an issue, provides emotional release for pent up employee feelings, and may encourage employee to think and talk more about a change so that they understand it better. This does not mean that resistance to change should endure. Resistance must be overcome and change introduce

7.8 Methods of Introducing Change

Kotter and Schlisinger have suggested six methods of introducing change. The change agent must understand that there is no one universal approach to overcome resistance. Depending on each situation a different approach needs to be adopted. Change is situational problem and a realization of this fact is essential for bringing about a change.

It contains six approaches for introducing change together with the situations where each change intervention is most appropriate. The advantages and drawbacks of each approach are also listed in the table. Management must examine the nature of the resistance and then review the possible approaches to fit the situation.

The six approaches will help unfreeze and change the values and behaviours of people. In other words, the approaches enable the managers to introduce change successfully. The next crucial stage is to make the change stick otherwise there is the danger of people reverting to the pre-change position. How to make the change the permanent? The methods suggested for the purpose are; use of group forces, use of leadership, shared rewards, working with unions, and concern for employees.

7.8.1 Use the Group Forces

The group exercises considerable influence on the behaviour of members. The behaviour, attitudes, beliefs, and values of the individual are all firmly grounded in the groups to which he belongs. How aggressive or co-operative a person is, how much self respect and self-confidence he has, how energetic and productive his work is,

Table 7.1 Methods of dealing with Resistance to change

Approach	**Commonly used situations**	**Advantages**	**Drawbacks**
Education+ Communication	Where there is a lack of information or inaccurate information and analysis.	Once persuaded people will often help with the implementation of the change.	Can be very time consuming if lots of people are involved.
Participation+ involvement	Where the initiators do not have all the information they need to design the change and where others have considerable power to resist.	People who participate will be committed to implementing change and any relevant information they have will be integrated into the change plan.	Can be very time consuming if participators design an appropriate change.
Facilitation+ Support	Where people are resisting because of adjustment problems.	No other approach works as well with adjustment problems.	Can be time consuming, expensive, and still fail.

Approach	Commonly used situations	Advantages	Drawbacks
Negotiation+ Agreement	Where someone or some group will clearly lose out in a change and where that group has considerable power to resist.	Sometimes it is a relatively easy way to avoid major resistance.	Can be too expensive in many cases if it alerts others to negotiate for compliance.
Manipulation+ co-optation	Where other tactics will not work are too expensive.	It can be a relatively quick and inexpensive solution to resistance problems.	Can lead to future problems if people feel manipulated.
Explicit+implicit coercion	Where speed is essential and the change initiators possess considerable power.	It is speedy and can overcome any kind of resistance.	Can be risky if it leaves people angry at the initiators.

(Source: "Choosing Strategies for Change" by Kotler and Schlesinger, March-April 1979, Harvard Business Review).

7.8.2 Shares Rewards

Another way to build support for change is to ensure that the people affected derive benefit out of the change. Benefits include increased pay, promotion, training, recognition, and the like.

7.8.3 Co-operation of Unions

Taken into confidence, unions themselves can act as change agents, though they are generally considered to be anti-change. Many union leaders are accepting the installation of CNC machines, though it means displacement of the work force. This has been possible because of their participation before, during, and after the change has been introduced. A change introduced without their support may not stay for long.

7.8.4 Concern for Employees

A change should not be introduced for the sake of it. Change needs to be introduced only when necessary and it must be by evolution and not by revolution. Any change must ultimately benefits employees. In the short-run the needs and requirements of employees should not be affected. Any problem that has taken place because of change needs to be looked into and corrected immediately.

7.9 Summary

Change involves making things different. Change occurs at individual, group and organizational levels. Change is generally resisted. The causes for resistance are rational,

psychological and sociological. Resistance manifests itself in the form of hostility, apathy, absenteeism, tension, strikes and slowdown of work. Resistance to change is beneficial to both the change agent and to change targets. It makes both parties take a second look at the problem, identify irritants if any, and overcome them so that change can be implemented successfully.

Implementation of change successfully needs knowledge about the change process. Change process consists of three stages: unfreezing, changing, and refreezing. Unfreezing refers to the casting aside of old beliefs, attitudes, and behaviours. Changing refers to the learning that has taken place. There are six approaches for introducing change. Each technique is appropriate for particular situation. It has its own merits and drawbacks. It is the wisdom of the change agent to use an appropriate technique for a particular situation. Refreezing involves making change permanent.

7.10Keywords

Reactive change: A response that occurs when events in the environment have already affected the firm's performance; problem-driven change.

Unfreezing: Realizing that current practices are inappropriate and that new behaviour must be enacted.

Concern for Employees: A change should not be introduced for the sake of it. Change needs to be introduced only when necessary and it must be by evolution and not by revolution. Any change must ultimately benefits employees. In the short-run the needs and requirements of employees should not be affected. Any problem that has taken place because of change needs to be looked into and corrected immediately.

7.11 Self Assessment Questions

1.Briefly Explain the forces of organizational change
2. Explain the levels of change
3. Discuss the Different types of change
4. Examine the steps in managed change

7.12 Suggested Readings

1. Organizational Behavior, Dr.C.B.Gupta, (2014), S.Chand Publications.
2.Organizational change and Development kumkum Mukherjee(2015), Pearson Publications
3. Organizational Development and Change Thomas G.Cummings, (2015), Cenage Publications.
4. Organizational Development Wendell L.French, Cocil H.Bell, Veena Vohra (2017), Pearson Publications.
5.Organizational Theory, Design and change, Gareth R.Jones, Mary Mathew (2017) Pearson Publications

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LESSON -8
INDIVIDUAL BEHAVIOR CHANGES

Learning Objectives

To Discuss the Individual Differences
To study the concept of learning
To Strategies for change of behavior
To learn the Learning Behavior Consequences

Structure

8.1 Introduction
8.2 Individual Differences
    8.2.1 Demographic Factors
    8.2.2 Abilities and Skills
    8.2.3 Perception
    8.2.4 Attitude
    8.2.5 Personality
8.3 Concept of Learning
8.4 Theories of Learning
    8.4.1 Classical Conditioning
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8.6 Operant Conditioning and Change of Behavior
8.7 Social Learning and Change of Behavior
    8.7.1 Behavioral Modeling
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    8.7.3 Self Reinforcement
    8.7.4 Attentional Processes
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    8.7.6 Motor Reproduction Process
8.8 Summary
8.9 Keywords
8.10 Self Assessment Questions
8.11 Suggested Readings

8.1 Introduction

Behavior refers to the response made by an individual. The response may be the result of influence of external factors. The external factor is termed as stimulus and the action taken by the individual is known as response. Both heredity and environment determine the behavior of an individual. The psychologists say that man's heredity determines what kind of person he/she can be and the environment determines what he/ she becomes. Behavior of an individual is determined by both the heredity and environmental factors. Heredity refers to the characteristics transmitted by parents to the next generation. Human beings acquire biological characteristics through genes, which control the development of tissues and organs of the body. They are determined at the time of the conception. Parents influence hereditary characteristics through the transmission of genes. Children acquire certain features of physique and psychic qualities out of this genetic transmission. Research in genetic engineering also suggests that heredity determines physical, mental and emotional states of

the individuals. Physical stature, gender, colour, intelligence etc. are influenced by the hereditary factors.

The individuals are brought up in a particular environment like family, society, culture, etc. These environmental factors influence the behavior of the individuals. Children's socialisation process start in the family. Children are made to follow the behavioral pattern of the family. Members of the family compel children to conform to certain acceptable behavior and avoid unacceptable behavior. Thus children acquire knowledge of acceptable and unacceptable behavior from their family. Children further start socialising with a number of social groups like friends, school and other members of the society. Thus, they acquire socially acceptable behavior and try to avoid socially unacceptable behavior as a result of their interaction with these groups. The culture in which children are brought up, determines the decision-making styles, attitudes, independence v/s dependence, soberness v/s aggression, competition v/s cooperation etc. As a member of a particular culture, children learn norms, values and attitudes which are prescribed by the culture. Individuals are compelled to behave in conformity to the cultural norms established by the society. Thus society and culture exert greater influence on the behavior of individuals.

8.2 Individual Differences

Now, it is clear to you that as soon as a child is born, he/she is exposed to a variety of environmental forces. The biological characteristics clubbed with the environmental forces determine the behavior of an individual. The question arises why the behavior of one person differs from other? When you visit an organization, you find that somebody is very polite; someone is sensitive, someone aggressive, talkative, etc. Thus you realise that the behavior of one person differs from the others. The understanding of individual differences helps the managers to analyse the strengths and weaknesses of the subordinates and their attitude towards the works and the organization. The manager can examine the performance pattern of the employees as a result of the individual difference and chalk out the strategy to exploit the positive behavior of the employees. A number of factors influence the behavior of an individual in the organization. John Ivancevich and Michael Matteson have identified major factors influencing individual difference in behavioral pattern as : demographic factors, abilities and skills, perception, attitudes and personality.

8.2.1 Demographic Factors

These factors are socio economic background, education, nationality, race, age, sex,etc. The persons belonging to good socio-economic background, well educated, young etc. maybe preferred by the organization because they are likely to perform better. You must be aware that the young professionals having good academic background and communication skills are in great demand. For example, a call centre prefers the young professional having excellent command on communication. Thus the study of demographic factors helps the manager to identify the suitable persons for a particular job.

8.2.2 Abilities and Skills

Ability refers to mental or physical capacity of an individual to do something whereas skill refers to an ability to act in a way that allows a person to perform well. Ability and skills play very important role in individual's behavior and performance. If a person's abilities and skills match the job requirement, he/she is likely to perform better in the organization. Therefore, the manger has a challenging job of matching the abilities and skills of the employees to the job requirement.

8.2.3 Perception

Perception refers to the cognitive process meant for interpreting the environmental stimuli in a meaningful way. Every individual may organise and interpret environmental stimuli based on his/her own reference. Several factors influence the perception of an individual so their study may be very crucial for the manager. The manager must create the favorable work environment so that the employees perceive them in a favourable way. If the employees perceive them in a positive way, they are likely to perform better.

8.2.4 Attitude

Psychologists have defined attitude as a tendency to respond favorably or unfavorably to certain objects, persons or situations. The formation of attitude is influenced by the family, society, culture, peers and organizational factors. In an organization, manager requires to study the variables related to job and create the work environment in such a favorable way that the employees are tempted to form positive attitude towards the job. If the employees form positive attitude, he/she may perform better in the organization.

8.2.5 Personality

Personality refers to the study of the characteristics and distinctive traits of an individual, the inter-relations between them and the way in which a person responds and adjusts to other people and situations. Several factors like heredity, family, society, culture and situation influence the personality of an individual. As a result, individuals differ in their manner of responding to organizational environment. It is the most complex aspect of human beings and influences their behavior immensely. Therefore, the study of personality traits provides an opportunity to understand the individuals, properly direct their effort and motivate them for the accomplishment of the organizational goal.

This means that different environmental factors may generate different responses. The study of these responses is vital for the organization. Every organization demands a particular type of behavior from the employees. These behaviors can be learnt through observation, learning, exposure, training, etc.

Psychologists have been striving for accurate study of appropriate behavior of an individual in a particular situation. How to shape the desired behavior has been a challenging task before them? The favourable circumstances may evoke favorable responses and unfavourable circumstances may evoke unfavorable responses. The favourable responses may facilitate the performance of an individual in the organization.

The organization requires identifying those factors which elicit favorable responses from the employees. They must create congenial work environment to get the best responses from the employees. Most of the successful and best-managed organizations have started considering their employees as key assets of the organization. The productivity of these organizations has improved significantly as a result of creating employees oriented working environment. It must be clear to you that the understanding of individual behavior is very helpful in creating such working environment. It also helps in improving the performance of the employees. Most of the best managed organizations have been emphasizing on the continuous improvement of their employees through learning, adaptation and application of the best practices for the achievement of the goals. The business environment has been witnessing enormous change. New strategies are needed to cope up with these changes. Moreover, the expectation of the organization regarding the performance of the desired behavior of the employees has been also increasing. The question arises how to shape the

desired behavior of the employees? Proper learning strategies may be extremely helpful in shaping the behavior of the employees. Thus understanding of individual behavior may be very helpful in formulating learning and behavior modification strategy of the organization. Employee's motivation strategy may also be chalked out based on the analysis of the individual behavior.

8.3 Concept of Learning

Learning involves a sequence of psychological events. This will become clear if we were to describe a typical learning experiment. Suppose psychologists are interested in understanding how a list of words is learned. They will go through the following sequence : (i) do a pre-test to know how much the person knows before learning, (ii) present the list of words to be remembered for a fixed time, (iii) during this time the list of words is processed towards acquiring new knowledge, (iv) after processing is complete, new knowledge is acquired (this is LEARNING), and (v) after some time elapses, the processed information is recalled by the person. By comparing the number of words which a person now knows as compared to what s/he knew in the pre-test, one infers that learning did take place.

Thus, learning is an inferred process and is different from performance. Performance is a person's observed behavior or response or action. Let us understand what is meant by the term inference. Suppose you are asked by your teacher to memorise a poem. You read that poem a number of times. Then you say that you have learned the poem. You are asked to recite the poem and you are able to recite it. The recitation of the poem by you is your performance. On the basis of your performance, the teacher infers that you have learned the poem.

8.4 Theories of Learning

8.4.1 Classical Conditioning

You must be aware about the stimulus and response. In classical conditioning, learning takes place through the connection between unconditioned stimulus and conditioned stimulus. These two stimuli are paired to elicit the desired response. Let us take an example of food which elicits the response of salivation. The food is termed as unconditioned stimulus and the salivation is known as unconditioned response. A conditioned stimulus is a mental stimulus that does not elicit the response. A response which is elicited by the conditioned stimulus is termed as conditioned response. When conditioned stimulus is paired within conditioned stimulus, the conditioned stimulus also starts eliciting the response. In this process a stimulus– response bond is developed between a conditioned stimulus and a conditioned response through the repeated linking of a conditioned stimulus with an unconditioned stimulus.

Pavlov conducted this experiment on the dog. He presented the food to the dog and the dog salivated. Here the food is the unconditioned stimulus and the salivation of the dog is the unconditioned response. Pavlov used a bell as conditioned stimulus. When he rang the bell, the dog did not do any thing. Pavlov started paring of the conditioned stimulus (bell) with the unconditioned stimulus (food). He presented the food to the dog and rung the bell. This was repeated several times. After some time, he found that the bell alsoelicited the same response as the food. Here the conditioned stimulus (bell) elicited the response ofsalivation even when the unconditioned stimulus (food) was not present. He rings the bell and the dog salivates without the presentation of food as well. Thus the dog learnt the ringing of the bell with the salivation. The focus of this theory is building up an association between an unconditioned stimulus and a conditioned stimulus.

The training of airplane pilot regarding the use of a newly installed warning system is a good example of classical conditioning. In this training, whenever the plane drops below critical altitudes, the warning light is shown and the pilot increases the plane's altitude. Over the period, the pilot learns to adjust the plane's altitude in response to the warning light without the presence of the trainer.

This theory has been criticised on the ground that it considers the learner as a passive element. The learner notices the connection between the unconditioned stimulus and the conditioned stimulus and forms an association. Another noticeable point is that it explains the simple reflexive behavior. In most of the organization, people are not passive; they are actively involved in executing their behavior. Moreover, behaviors are also not elicited, they are emitted. These behaviors are under worker's control. Despite these limitations, the principles of association, as an important phenomenon of learning cannot be undermined.

8.4.2 Operant Conditioning

Skinner gave the theory of operant conditioning. This theory advocates that a learner's response is instrumental in producing a reinforcing stimulus. This means that the response which produces the reinforcement becomes stronger and the response which does not produce reinforcement becomes weaker. Skinner box was used for demonstrating the operant learning. It is a simple box having a liver fitted at the end of the box. The liver is a switch which operates as a food-delivery mechanism. A hungry rat is placed inside the box. Initially the rat sits idle in the box, gradually it starts exploring inside the box to search forfood. While exploring inside the box all on a sudden it presses the liver. As the liver is pressed it releases apiece of food. After pressing the liver a number of times, the rat realises that it releases the pieces of food and the rat starts eating them. Now the rat presses the liver and eats the food. The delivery of food constitutes the reinforcement and reinforcement is contingent upon the operation of the lever.

The box can be arranged in such a way that every response i.e., pressing of liver may not release the food. Some response may release the food and some may not release. This is termed as partial reinforcement. It may also be arranged in such a way that pressing of lever may result in a shock to the rat. This is termed as negative reinforcement. Thus the response which fulfils the desired need of the rat is known as positive reinforcement. At the same time, the response may also lead to escape from the painful situation which is known as negative reinforcement.

The focus of this theory is the reinforcement follows a response. So the response becomes instrumental in achieving the appropriate goal. The manipulation of response and reinforcement may increase, reduce or lead to the extinction of the behavior.

You must be aware of Thorndike's law of effect which states that the responses which are accompanied or closely followed by reinforcement will be more likely to occur. At the same time, the responses which are accompanied or closely followed by discomfort will be less likely to occur. This means that the behavior which leads to positive outcome will be likely to be repeated whereas behavior which leads to Negative outcome will be avoided.

Hull proposed three components of learning theory i.e. drive, habit and reinforcement. A drive refers to the internal state of dis-equlibrium which becomes a motive for learning. A drive stimulates the person to perform the desired act. Habit refers to the association between stimulus and the response. The appropriate link is formed between environmental stimulus

and behavior of a person. The formation of this connection play very important role in learning.

Reinforcement refers to the feedback received by the person as a result of his behavior. Thus appropriate understanding of connection between behavior and consequences by the person makes him to learn about the situation. The focus of the operant theory is to make the learner to operate in the environment to acquire reinforcement. This means that the behavior may be directed by appropriate reinforcement. For example whenever you perform well in the office, your boss appreciates you. This appreciation helps you in strengthening the behavior of performing well in the office.

8.4.3 Cognitive Learning

The cognitive theory was given by Tolman. It focuses on the fact that learning takes place by thinking about the problem, from insight of the individual and from integrating different cues or pieces of information .Acquisition of information plays important role in the learning process. The cognitive theory advocates that the association between cognitive environmental cues and expectations lead to learning. According to cognitive theory, learning takes place as a result of stimulus –stimulus association. Here, two stimuli are repeatedly paired. The presentation of one stimulus arouses an image, idea or some process representing the second stimulus, even when it is not presented. When more than two stimuli are presented, whole stimuli may become associated. The process of association leads to formation of cognitive map. This cognitive map is especially applicable to the learning of spatial relationships of objects in the environment. Tolman tested the cognitive learning phenomenon on rats through a complicated maze structure in the laboratory. He found the rats ran through the maze structure towards the food. Rats developed expectations at every point of the maze and reached to the goal. Thus the relationship between cues and expectancy got strengthened and cognitive map was formed. The formation of cognitive map was the result of the learning. In day to day life also you form a cognitive map of the way you go to the college, market and other places or about the persons, things etc.

8.4.4 Social Learning

This theory advocates that the people learn through observation and direct experience. It emphasizes an interaction among cognitive, behavioral and environmental determinants of behavior. People learn by observing others behavior. They model those behaviors that lead to favourable outcomes. At the same time, they try to avoid those behaviors that lead to unfavourable outcomes. If you analyse your behavior, you will find that your behaviors are influenced by your parents, friends, teachers, movies, television, achievers, successful persons, etc. you try to imbibe their behavior because their behavior lead to positive consequences. This theory focuses on learning the consequences of behavior and self reinforcement.

8.5 Strategies for Change Of Behavior

Several scholars have applied theories of learning for modification of behavior. In fact, the principle of operant conditioning has been widely applied for modification of employee's behavior in an organization.

Jennifer and Gareth have identified following steps for modification of behavior. Let us learn them in detail.

Identify the Behavior to be Learnt:

The first step of behavior modification requires identification of the behavior which the organization wants to learn by the employees. The behavior to be learnt must be specified and clearly defined by the management. In fact, there are specific determinants of performance of the job. These determinants required to be studied in depth. For example, if the manager realizes that salesmen are not able to increase the sale. Now, the manager wants the salesmen to increase the sale.

Baseline Performance:

The manager analyses the present status of the behavior. He studies the job performance of the salesmen. The manager finds out that the salesmen are able to sell less number of quantities than the standard decided by the organization.

Functional Analysis

In this step, a detailed analysis of existing behaviors and their consequence is undertaken. Here the manager evaluates the impact of existing behavior on the output of the salesmen. The manager finds that the output of salesmen is 25% less than the standard output. The manager evaluates the pre-behavior circumstances, actual behavior on the job and the consequences at great length.

Lack of encouragement or poor working environment, inadequate training etc. may be the pre behavior circumstances which may have resulted in the poor performance of the salesmen. Intervention Strategy: In this step, the manager devices the strategy for strengthening the desired behavior and weakening of the undesired behavior. The manager chooses positive reinforcement strategy like praise, appreciation, bonus, additional benefit for enhancement of output. For example, if the salesmen conform to the standard sale or closer to it, they get appreciation, bonus, or additional benefit. Thus they are reinforced to complete their work. At the same time they are also discouraged for their poor performance.

Evaluation of Performance

The manager evaluates the performance of the salesmen. He finds that thesalesmen have started to perform up to the standard sales norms. Thus the manager realizes that the introduction of positive reinforcement makes the worker learn the desired behavior of the organization. In order to maintain the behavior of the salesmen, the manager keeps on introducing positive reinforcement to the salesmen.

8.6 Operant Conditioning and Change of Behavior

Every employer wants that the employee should conform to the required behavior in the organization. This raises the question that can the behavior of a person may be modified? Several studies have shown that the behavior may be modified through the detail study of antecedents, behavior and consequences. Antecedents are activities which precede the behavior. For example if the manager informs the subordinates that those persons who complete the tasks same day would get the recognition of high performer. Here the instruction of task completion is the antecedent, the completion of task is the behavior and the recognition of high performer is the consequence. This means that the manager requires analyzing the pre behavior condition, during the behavior condition and after the behavior condition. The circumstances which influence the execution of these three stages of behavior required to be analyzed at great length. Moreover, reinforcement is introduced to elicit the desired behavior. The reinforcement play very important role in changing the behavior of the person.

Role of Reinforcement

If you recall the theory of law of effect which stresses that the repetition of behavior depends on its consequences. This means if the behavior is followed by pleasant consequences, the behavior tends to be repeated. On the other hand, if behavior is followed by unpleasant consequences the behavior may be avoided. Thus, it must be clear to you that reinforcement plays important role in strengthening or weakening of the behavior. Let us now learn about the reinforcement in detail.

Positive Reinforcement

Positive reinforcement refers to providing favourable outcome of a desired behavior. If a person's behavior matches the expectation of the organization, the person is rewarded. Here, the favourable outcome helps in repeating the behavior of the person. For example, if you perform job well, your boss appreciates you. As a result of the appreciation you try to perform well so that you get appreciation. This means that positive reinforcement reinforces you to do the job in the best possible way.

Negative Reinforcement

In negative reinforcement, an unpleasant outcome is introduced after performing a desired behavior so that the person avoids performing the behavior. The person learns to avoid unpleasant outcome by behaving in a desired way. For example, if an employee follows the order of his boss and completes his work in time he may not be harassed or criticised by his boss. Here harassment or criticism works as a negative reinforcement which the employee learns to avoid by completing his task and following the order of his boss.

Extinction

When reinforcement is not introduced as a result of performing undesired behavior, this behavior may decline or leads to extinction. Some of the scholars have called it do nothing strategy. For example, if one student keeps on telling story in your counselling session and others stop paying any attention towards his story, he may be refrained to narrating the story further. Lack of praise or reinforcement abstains the student in narrating the story in the counselling session.

Punishment

In punishment, an undesired behavior is followed by an unpleasant outcome. It decreases the occurrence of the behaivour. For example, if a salesperson does not complete his target, his boss withdraws bonus or perks or demotes him. The fear of withdrawal or demotion makes the salespersons to complete their tasks.

Schedules of Reinforcement

You have learnt that reinforcement strengthens or weakens the behavior of persons. Now the question arises whether all responses should be reinforced or some responses should be reinforced : When all esponses are reinforced, it is called continuous reinforcement : When some responses are reinforced, it is called partial reinforcement. The schedule used for reinforcing a response is termed as the schedule of reinforcement. The schedule of reinforcement is very helpful for managers to select a reward for enhancing the performance of his subordinates. You may provide reinforcement after every 5th response; this is termed as ratio schedule. You may also provide reinforcement after every 5th minute; this is termed as interval schedule.

Fixed Interval Schedule:

In this schedule, reinforcement is produced after a fixed interval of time. For example, salary of an employee is paid after working for a week or a month. This technique does not lead to high levels of performance because it does not provide incentive for higher performance.

Fixed Ratio Schedule

In this schedule, the reinforcement is produced based on the number of responses. This means that the person is expected to make certain number of responses to get the reinforcement. Here the rewards are associated with the performance of the person and it is given in a ratio of rewards to performance. For example in a piece wage rate system, the payment is made based on each unit of output produced by the employees. The employee knows that if he produces more number of units, he will get more rewards.

Variable Interval Schedule

In this schedule, the person is reinforced after one interval of time, then after another interval of time and so on. This means that the reinforcement is provided after a varying length of time which may be based on an average. For example, you may get your first promotion after 3 years, second promotion after 4 years and third promotion after one year. You get these promotions after varying interval of time.

Variable Ratio Schedule

In this schedule, reinforcement is produced after a variable number of responses. The reinforcement may be produced after four responses, again after twelve responses and again after tenth responses, and so on. This means that reinforcement is given after varying number of times. The reinforcement is provided on the basis of a ratio of number of responses to rewards. The reward varies in relation to the response of the person. For example, a salesperson may get a reward after tenth sale and the second reward after fifteenth sale.

Several studies have shown that the performance based reward schedules generally lead to better performance than the time based reward schedule. Moreover, variable schedule also leads to great resistance to extinction. This schedule also provides steady rates of responses.

8.7 Social Learning and Change of Behavior

People keep on observing the behaviors of others. They model those behaviors which result in favourable outcomes. At the same time, they avoid those behaviors that result in unfavourable outcomes. Since the very beginning of childhood, people observe the behavior of parents, teachers, achievers etc. They try to model those behaviors which influence them most. This theory advocates that the people learn their own behavior themselves by observing the environment. This theory focuses on cognitive process of learning where learners integrate the environmental factors and try to select the favourable outcome oriented behavior. Steven and Mary Annvon mentioned three features of social learning theory. These features are behavioral modeling, learning behavior consequences and self-reinforcement. Let us learn them in detail.

8.7.1 Behavioral Modeling

Individual keeps on observing or interacting with a number of persons in the environment. He/she observes behavior and tries to model those behaviors which have favourable outcomes. The modeling depends on the impact of particular behavior on the

individual. For example, the organization develops the training programme of sales person based on role model. Here, the high performer sales persons are rewarded in terms of extra bonus, praise, appreciation, recognition, etc. The role of high performers is highlighted by the organization. The salesperson observes the behaviors of high performer and tries to model them.

8.7.2 Learning Behavior Consequences

In the social learning theory, the cognitive process play very important role in learning the new behavior. In fact, individuals actively analyse the situations and learn those behaviors which result in favourable outcome. Here the thought processing activities get activated.

The person applies logic and evaluates the favourable and unfavourable consequences of the behaviors. In this way, the desired behaviors may be activated by associating them with the favourable outcomes. For example, if you complete job target, your boss appreciates you. You learn the consequences of completing the job in time which brings favorable outcome.

8.7.3 Self Reinforcement

This is the most important aspect of social learning theory. When the individual analyses the impact of reinforcements on the behavior and finds the positive outcome, he/she tries to learn positive outcome oriented behaviors. Gradually he/she may develop self reinforcement technique for his own behavior. He may start setting his own goal and reinforcing himself after achieving the goal. The development of self reinforcement strategy is the most challenging task before the organization. This provides freedom and control to the employees to manage his own behavior. Moreover, he/she recognizes his/her own ability to complete the job.

Social learning theory is very important in formulating the training programme of the organization. In the training programme, the importance of high performer, high achievers etc. is highlighted. These behaviors are also reinforced. The employees observe their behaviors and also realize that these behaviors lead to success. Thus, they are encouraged to model the favourable behaviors. Robbins has identified four processes that determine the influence of a model on the behavior of a person.

They are discussed below:

8.7.4 Attentional Processes

In order to learn from the behavior of the model, people need to pay attention onthe behavior. This means that observable behavior must be designed in such a way that catches the attention of the people.

8.7.5 Retention Process

When the person observes others behavior, the question arises how much he is going to retain? The process of retention depends on the degree of influence people have on other's behavior.

For example, people may easily retain the unique behavior of the model.

8.7.6 Motor Reproduction Process

This is a technique of converting observed behavior into action. The person must learn the process of reproducing the observed behavior. Therefore, the ideal performance technique must be shown in such a manner that people learn to reproduce the performance.
Reinforcement Processes: People are encouraged to perform the observed behavior if they are provided adequate incentives or rewards. The reinforcement motivates them to act in that fashion. The positive reinforcement is an important technique for enhancing the attention and retention process and improving the performance of the people.

8.8 Summary

Behavior refers to the response made by an individual. It is determined by both the heredity and environmental factors. Behavior of one individual differs from others. Several factors like demographic, abilities and skills, perception, attitudes and personality etc. influence the individual difference and their pattern of behavior. Therefore, understanding of individual's behavior is very important for mangers to elicit favourable response from subordinates.

Learning which refers to relatively permanent change in behavior and occurs as a result of experience or practice helps in imbibing favourable behavior to meet the challenges of the environment. Learning improves the performance of the persons. Several factors like ability, role perceptions, motivation and situation contingencies, etc. influence the performance of the employees. The favourable factors may lead to favourable action from the employees. Several learning theories have been propounded to explain the process by which an individual acquires behavioral patterns. The major learning theories are classical conditioning, instrumental learning, cognitive learning and social learning theory. These theories explain the role of stimulus, response, environmental cues and observation in the process of learning.

Theories of learning are very helpful in modifying the behavior of employees as well. The steps involved in behavior modification include: identify behavior to be learnt, baseline performance, functional analysis, intervention strategy and evaluation of performance. The analysis of pre-behavior, actual behavior and consequences help in modifying the behavior. The theory of operant conditioning has been widely applied for the change of behavior. The reinforcement play major role in modifying the behavior. The positive reinforcement, negative reinforcement, extinction and punishment are applied for this purpose. The schedules of reinforcement which are used for strengthening or weakening of behavior include: fixed interval, fixed ratio, variable interval and variable ratio. Another learning theory social learning which is primarily based on observation and modeling has been frequently used for behavior modification. The major features of social learning include: behavioral modeling, learning behavior consequences and self reinforcement.

8.9 Keywords

Classical Conditioning : Building up an association between an unconditioned stimulus and a conditioned stimulus.

Cognition : A conscious process of acquiring knowledge.

Extinction: Lack of reinforcement leads to extinction.

Fixed interval Schedule: Providing reinforcement after a fixed interval of time.

Learning: A relatively permanent change in behavior which occurs as a result of experience or practice

Negative Reinforcement: Introduction of unpleasant outcome after performing a desired behavior so that the person avoids performing the behavior.
Operant conditioning: Recognition of connection between behavior and its consequences.

Positive Reinforcement: Providing favourable outcome of a desired behavior.

Punishment: Introduction of unpleasant outcome as a result of undesired behavior.

Reinforcement: The process by which the probability that a desired behavior will occur is increased.

Variable Interval Schedule: Providing reinforcement after one interval of time, then after another interval of time and so on.
Variable Ratio Schedule: Providing reinforcement after a variable number of responses.

8.10 Self Assessment Questions

1. Briefly Discuss the Individual Differences in Behavior change
2. explain the strategies for change of individual behavior
3. Describe the Learning behavior consequences

8.11 Suggested Readings

1. Organizational Behavior, Dr.C.B.Gupta, (2014), S.Chand Publications.
2.Organizational change and Development kumkum Mukherjee(2015), Pearson Publications
3. Organizational Development and Change Thomas G.Cummings, (2015), Cenage Publications.
4. Organizational Development Wendell L.French, Cocil H.Bell, Veena Vohra (2017), Pearson Publications.
5.Organizational Theory, Design and change, Gareth R.Jones, Mary Mathew (2017) Pearson Publications

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LESSON-9
HRM INTERVENTIONS

Learning objectives

To study the Performance Management cycle
To understand the Performance Management best practices
To Discuss the Process of career planning
To Learn the Steps in career planning

Structure

9.1 Introduction
9.2 The Performance Management Cycle
9.2.1. Planning
9.2.2. Monitoring
9.2.3. Developing
9.2.4. Rating
9.2.5. Rewarding
9.3 Performance Management Best Practices
9.4 Career Planning
9.5 Process of Career Planning
9.6 Steps in Career Planning
9.7 Work Force Diversity
9.8 Wellness and work life balance
9.9 Mentoring Employees
9.10 Employee Wellness
9.11 Summary
9.12 Key words
9.13 Self Assessment Questions
9.14 Suggested Readings

9.1 Introduction

Human Resource Management (HRM) interventions targeted at developing, integrating and supporting the employees in an organization. These interventions operate on the premise that employee development and well-being can lead to increased organizational performance. There are three main HRM interventions: Performance Management, Developing Talent and Managing Workforce Diversity and Well-Being.

Performance management is defined as the process of continuous communication and feedback between a manager and employee towards the achievement of organizational objectives.

Traditionally, performance management has been a forward-looking solution based entirely on hindsight. But organizational culture is evolving to one of continuous feedback powered by technology, where managers can foresee problems based on current employee performance and initiate any form of course correction to bring the employee back on track.

In this lesson, we offer clear insights into what performance management is, the performance management cycle and best practices, the features of an effective performance management software, and the future of performance management.

9.2 The Performance Management Cycle

The performance management process or cycle is a series of five key steps. These steps are imperative, regardless of how often you review employee performance.

9.2.1. Planning

This stage entails setting employees' goals and communicating these goals with them. While these goals should be disclosed in the job description to attract quality candidates, they should be communicated once again when the candidate becomes a new hire. Depending on the performance management process in your organization, you may want to assign a percentage to each of these goals to be able to evaluate their achievement.

9.2.2. Monitoring

In this phase, managers are required to monitor the employees performance on the goal. This is where continuous performance management comes into the picture. With the right performance management software, you can track your teams performance in real-time and modify and correct course whenever required.

9.2.3. Developing

This phase includes using the data obtained during the monitoring phase to improve the performance of employees. It may require suggesting refresher courses, providing an assignment that helps them improve their knowledge and performance on the job, or altering the course of employee development to enhance performance or sustain excellence.

9.2.4. Rating

Each employees performance must be rated periodically and then at the time of the performance appraisal. Ratings are essential to identify the state of employee performance and implement changes accordingly. Both peers and managers can provide these ratings for 360-degree feedback.

9.2.5. Rewarding

Recognizing and rewarding good performance is essential to the performance management process, as well as an important part of employee engagement Opens a new window. You can do this with a simple thank you, social recognition, or a full-scale employee rewards program that regularly recognizes and rewards excellent performance in the organization.

9.3 Performance Management Best Practices

The only way to ensure the success of performance management is to treat it like a continuously evolving, fluid process by three best practices.

1. A well-designed performance management strategy

This again is made possible by using an automated performance management tool that allows you to set goals, modify them, and communicate changes on the go. No unnecessary meetings are required, and employees can modify their work plan and strategy as per the goals you assign.

2. A culture of open and effective communication

Continuous monitoring can help initiate conversations about employee issues. A negative sentiment or the poor performance of an employee can be addressed only when communication is open and transparent in an organization.

A culture of communication is an organization-wide responsibility, starting from top leadership and trickling down to all departments. Managers will adopt this culture and deliver honest feedback to employees, allow employees to be honest, and use that information to help them.

A culture of communication is also developed by hiring people managers who are skilled in delivering both positive and constructive feedback managers who motivate employees but also hold them accountable for their work.
Transparent communication also includes:
Sharing with the employee exactly what is expected of them.
Coaching employees to reach their maximum potential through actionable goals.
Giving them actionable, not generic, feedback.
Revealing the rewards in place for successful goal achievement.

3. Continuous monitoring

This may sound more like a Big Brother form of monitoring an employees every move and action, but that is the exact opposite of efficient performance management.

In the HR context, this involves tracking employees' progress in real-time and monitoring the output and outcomes an employee delivers. Also, by keeping an eye on employee sentiment, through observation, interactions, as well as with the help of sentiment analysis tools Opens a new window , managers can assess the general mood of their teams. This allows them to address the specific problem at hand as soon as a problem occurs.

With the tech tools available, as discussed in detail later, continuous monitoring at a granular level is now a much easier task. And with the objective data an automated performance management software can reveal, it is easier to start conversations with employees.

To enable all these elements of a successful performance management strategy, there is a host of automated performance management systems to choose from. These solutions can simplify several operations that traditionally relied on manual processes as well as monitoring and feedback delivery.

9.4Career Planning

Employees join an organization to fulfill their career goals and aspirations and organizations provide opportunities to fulfill them. Where there is a mismatch between the two, employees experience dissatisfaction and withdraw from the organization to join another where such opportunity exists. It underlines the need for career planning. It helps the employees to achieve a better match between their career goals and the opportunities available in the organization. It involves the following stages:

Stage # 1. Analysing Employee's Needs and Aspirations:

Traditionally, career planning was considered to be the responsibility of the employee. However, employees may lack information required for determining career goals and skills to develop career plans. This leads to blocked ambition, frustration and lowered morale. Therefore, organizations themselves provide resource and support to help employees identify career path and plan accordingly.

Organizations should first analyse employee's anchors i.e., urge to lose a particular career and aspirations. This assessment should be based on personnel inventory. Since most employees may not have a clear knowledge about career anchors and aspirations, the following method are used to spread career planning information.

Communication of Career Information:
i. Provides career related information and disseminates information about career opportunities and career path.
ii. Gives information about resources available to employees such as scholarship assistance, training, etc.
Career Counselling:
Some organizations arrange counselling for employees to help them assess their personal interest, aptitude and capabilities, and interpret their self-assessment.
Career planning workshop – Workshops are held to disseminate career planning information in order to enable the employees know what kind of work would suit them.
Reading materials – Employees are provided with reading materials and other media aimed at career planning.

Assessment programmes – A number of tests are conducted to help employees know what they should do to build their skills and what personal abilities fit in with their career path. All these methods helps employee set career goal, identify career paths and uncover specific career development activities.

Stage # 2. Analysing Career Opportunity

Once career needs and aspirations are known, organizations have to provide career path for each position. It indicates various positions a job holder can hold over a period of time. Career path changes overtime in tune with employee's needs and organizational requirements.

Stage # 3. Matching Needs and Opportunities

This process consists of two steps. Organizations should identify the potential of the employee and undertake career development programmes. Performance management system is a good tool to assess strength and weakness of an employee. This tool would reveal who needs additional training and who can shoulder added burdens. Suitable development techniques like special assignments, supervisory coaching, job enrichment, under study, position rotation etc., can be applied after assessing the potential.

Stage # 4. Action Plan and Periodic Review:

The matching process would reveal skill gaps which need to be bridged through individual development efforts and organization supported efforts from time to time. Thus, this continuous appraisal reveals in which direction an employee is going and what skills are needed to face challenges. This assessment is needed for the organization to know the level of performance, goals and aspirations of employees and how far the career path is in tune with individual needs and serve the overall corporate objective

9.5 Process of Career Planning

Sequential Process: From Identifying Individual Needs and Goals to Formulating Action Plans and Performing Periodic Review
Career planning can also be termed as a process because it is carried out in a particular sequence.

The career planning process involves the following steps:

1. Identifying Individual Needs and Goals

Refers to the reorganization of the career goals of individuals. Most individuals do not have a clear-cut idea about their career objectives, anchors, and goals. Thus, the human resource professionals of organizations must help the employees by providing as much information as possible. The career planning professionals should counsel the employees on matters such as the kind of work that suits the employees, after taking into consideration their skills, experience, and aptitude.

Such assistance is extended through workshops or seminars, where the employees are subjected to psychological testing and simulation exercises. The basic purpose of such exercises is to guide the employees in determining what they should do to build and advance their careers within an organization. Workshops and seminars may increase employees' interest in career planning by helping them to set career goals, identify career paths, and uncover specific career development activities.

2. Analysing Career Opportunities

Refers to the careful examination of career paths available to employees after identifying their career aspirations. Career paths show the possibilities of career progression and indicate the various positions that employees can hold in the organization over a period of time, if they perform well. Career paths change over time in tune with employees' needs and organizational requirements.

3. Aligning Needs and Opportunities:

Refers to highlighting and aligning the gaps between the employees' needs and the opportunities provided by the organization. The alignment of needs and opportunities consists of two steps, namely identifying the potential of employees and aligning employee needs with organizational opportunities.

The potential of employees can be accessed through performance appraisal, which reveals the need for further training for some employees After identifying the potential of employees, certain development techniques, such as special assignments, planned position rotation, supervisory coaching, job enrichment, and understudy programs, can be undertaken to upgrade their knowledge and skills.

4. Formulating Action Plans and Performing Periodic Review:

Refers to designing the actions plans and reviewing periodic performance for the career development of an individual. After initiating the preceding steps, it is necessary to review the whole career plan and its implementation.

The formulation of action plans helps the employees in determining the direction of their career paths, the changes required in their careers and the skills needed to face new and emerging organizational challenges. It is also necessary from an organizational standpoint to find out how employees are doing, what are their goals and aspirations, and whether the career paths are in tune with individual needs and serve the overall corporate objectives.

It is the process of setting up career objectives and determining appropriate developmental programs to further ones progress in an organization. Such a planning involves setting up of career objectives, and determining appropriate educational and developmental programs to improve the skills needed to achieve short and long-range

career objectives. It is an on-going process to help an employee manage his or her work. Career planning involves a series of steps.

These are:
i. Knowledge of oneself- Such knowledge includes skills, likes, and dislikes preferred activities and so on.
ii. Finding out- Explaining what is available for an individual in the organization.
iii. Making Decisions- Comparing choices, opinions, and alternatives available.
iv. Taking Action- Working towards goals.
Career planning is not a one shot approach. It is an on-going process to help employees manage and adapt to their work and work environment. It is a sub-set of career management.

Basically this management involves a series of steps such as:
i. Understanding where an individual is currently
ii. Deciding where he or she wants to be
iii. Making needed changes

Of course all career plans are not made permanently. They do change as circumstances and conditions change. When plans are made some degree of flexibility is built into them to accommodate the changes in conditions. How individuals manage their future within an organization from the company's point of view, and how employee careers are structured to assure their stay and progress in the company come under the purview of career planning.

In recent years, many organizations in various industries are giving importance to what is known as, Succession Planning, a new name for Career Planning. A number of research studies have been carried out to identify the methods of retaining talented employees or people with high potential to meet business needs and changing environmental conditions. In 2007, Canadian Pacific Railway Company launched "Career Tracks", an innovative career development method with a development of competency assessment to help employees develop their skills that will allow them to achieve their performance objectives. Marshall Goldsmith suggests four types of efficient succession planning.

These are:
1. Change the name of the process from Succession Planning to Succession Development
2. Measure outcomes, not process
3. Keep it simple
4. Stay realistic

In setting up your career plans the best advice is to be flexible but don't be influenced yourself by the crowd. In other words be flexible but not too rigid. As things, circumstances and environmental conditions change, one must be prepared to make necessary adjustments accordingly. Career involves a series of decisions, continually adding new inputs and information since conditions do change.

There are certain myths when it comes to making career plans and decisions. Some of these myths are:
1. Determining your career choice is the first choice
No, it is not really true

2. Your career plans once made cannot be changed
No, it is not true
The direction of your plans can be changed due to be changing conditions.

Career plans start with the self-assessment based on the information you have which are mostly educational accomplishments, activities, experiences, and other achievements in various areas.

Based on your strengths, the individual explores career choices, and then comes placement, if you are a fresh candidate and upward movement for an existing employee. Since women are new entrants to career planning, let us see how career progression makes a difference in their work life. Of course, they don't get extra help but fairness is extended to them.

a. Career Planning for Women Employees:

For a very long time, in industry and business, women were employed only for lower level jobs in the organizations. In banks, women were usually being seen at the counters and in retail establishments, looking after the sales floors and merchandising areas of the store. In hospitals, at the most one can get to be a nursing supervisor or training manager. Their roles are mostly confined to window-dressing and being secretaries among other jobs in the lower hierarchy of the organization.

After passing legislation favourable to women in many countries, a number of managerial and other professional jobs were opened up for them. Some progressive companies such as. Hewlett-Packard, Pepsi, and ICICI Bank, elevated women to the Chief Executive positions in their organizations. In fact, they met up to the expectations of the Boards, Employees, and the customers of their respective companies.

Some theorists believe that women may have an enormous advantage over men in future management situations. Since a good framework has been established among women at all levels of management, there is a scope as well as hope that career path will be opened up for more women to move up in the hierarchy? Thanks for the new and emerging legislative measures undertaken in many countries across the Globe, including India.

The challenge is not just to recruit them for various levels of organizational hierarchy but to design a career path and engage actively in career planning activities with a positive approach. The prospect of women being in higher levels of management has changed in a decade but not to an appreciable extent.

The following are some steps companies can take to provide more opportunities for women to move into higher levels of managerial hierarchy:

1. Make sure that women employees know the strategic goals of the company.
2. Women professionals have a clear understanding of career plans.
3. Teach, train, and develop them how to manage their time.
4. Provide them with good and open-minded mentors.
5. Arrange career seminars and discussions for potential women.
6. Enhance their community involvement and
7. Encourage them to be proactive in building their skills.

As more and more women come into the work force, not all solutions are solved; rather the situation has created new problems for the employees, companies and the

society at large, especially where it involves dual-career couples. Many companies are trying to cope with these emerging situations with some innovative and productive approaches by providing various kinds of activities to the younger children. Time will tell whether such activities provide permanent solutions or postpone the existing problems.

Let us look at the career planning model developed by Internship Career Center at the University of California in Davis, California. The six step model is designed to help an individual to make career decisions not only as one begins his or her career search but also throughout ones lifelong career path.

9.6Steps in Career Planning

Step-I – Self-Exploration- Examine who you are where you are and what you like to do; identify your values, interests, and skills. Describe your personality.
Step-II – World of work Research- Examine the world you want to work in and to find a career that meets your needs. Job tide, job market trends, employers, work environments, informational interviews, asking people who are currently employed may help.
Step-III – Experiential Education-Try to work as an intern or volunteer. Part-time jobs or serving and learning where you can apply academic work.
Step-IV – Decision making-Prioritize your career needs, Determine goals, Set objectives, Create an action, and plan Do reality testing (apply).
Step-V – Job Search-Once narrow the focus and set goals, prepare resume and cover better Attend on-campus interviews apply through job-links.
Step-VI – Career Management-Ready to start your new job actively planning and managing your career will help to be on track and lead you in the right direction you want to go.

9.7Work Force Diversity

Advances in technology and the advent of a global economy bring the people of the world closer together than ever before. Given this fact, businesses, educational systems and other entities are investigating ways to better serve their constituents. This includes being able to attract and retain the best and most qualified workers. Organizations that can develop and employ the necessary policies and procedures to do this will maintain a competitive advantage among their counterparts and increase their effectiveness. The private sector competitive model may not squarely fit Federal departments and agencies, given the lack of profit motive as the reason for their existence. Yet, Federal organizations must compete to recruit and retain the best talent if they hope to achieve their bottom line, their statutory missions. The changing demographics of our nation also affect the nation's businesses and in turn the nation's economy. For our government and businesses to continue to be effective and motivate citizens to contribute to building these institutions, our leaders must recognize and capitalize upon the diversity of the nation.

To achieve success and maintain a competitive advantage, we must be able to draw on the most important resource – the skills of the workforce.

With the increasing richness of diversity in the world and in the workforce, we need to expand our outlook and use creative strategies to be successful. Employees can provide this resource. This study identifies best practices that work in organizations that are doing justthat. These practices can be adopted in any workplace.

Our partners have created communities of practice that achieve and value workforce diversity within their organizations. These practices reflect our partners' understanding that valuing and recognizing diversity is imperative in order to maintain a competitive dvantage. They know that using these practices enhances productivity, effectiveness, and sustained competitiveness.

Frequently, diversity is viewed in a limited fashion, primarily addressing issues of race, ethnic or gender differences, and linked to the laws providing protected status to certain groups. We have used a very broad definition of diversity, to encompass most characteristics that individuals possess that affect the way they think and do things. This is critical. This study describes tested ways to draw on all the varied skills of our workforce.

This study emphasizes the most valuable information that the best practices organizations have to offer. Our critical findings focus on the following information because we can use it to further and strengthen the U.S. government's efforts to achieve diversity in the workplace.

• Organizations Benefit from Diversity
Organizations that promote and achieve adverse workplace will attract and retain quality employees and increase customer loyalty. For public organizations, it also translates into effective delivery of essential services to communities with diverse needs.
• Leaders and Managers are Responsible for Diversity

Leaders and managers within organizations are primarily responsible for the success of diversity policies because they must ensure that the policies are effective. Leaders and Managers must Create a Strategic Plan to Develop Diversity Initiatives Throughout the Organization.

Leaders and managers within organizations must incorporate diversity policies into every aspect of the organization's functions and purpose.

• Employees' Views and Involvement are Keyto the Success of Diversity Initiatives Organizations must view employee participation as a necessary part of the diversity initiative, in order to develop and maintain effective diversity policies.

The leaders of the best practices organizations understand that they must support their employees in learning how to effectively interact with and manage people in a diverse workplace. They recognize that they should encourage employees to continue to learn new skills in dealing with and managing people. They also recognize the impact that diverse clients will have upon the success or failure of an organization, as businesses must compete to satisfy these clients.

9.8Wellness and work life balance
When it comes to employees, our partners have several things in common. Namely, they have three core organizational goals:
1. Maximizing workplace satisfaction for all employees;
2. Retaining a world class workforce; and
3. Maintaining an environment of lifetime learning.

The leadership believes that employee involvement and feedback are necessary components in achieving these goals. Thus,our partners actively seek employee input. They use formal as well as informal channels.

• Many of our partners administer cultural diversity audits. These audits take the pulse of the workforce and provide candid assessments of the work climate. The results form the basis upon which process improvements are made.

• An example of an informal channel is one partner's use of internal Web sites where employees can express their concerns, engage in open dialog (e.g., chat rooms) and learn about diversity.

• Still another example of an informal channel is the use of an employee feedback hotline that allows employees to contact diversity advisors and provide feedback on questions such as those listed below:

1. How would you rate your overall satisfaction with the organization at the present time?
2. How satisfied are you with the information you receive from management regarding what is going on in the company?
3. Does management clearly outline a credible future that you can believe in?
4. Does your employee development plan build skills to remain competitive in the future?
5. Are differences valued?
6. Are employees treated with dignity and respect?

9.9Mentoring Employees

Most of our partners have established formal mentoring programs. Mentors are used to help assimilate new employees into the organizational culture. In others, mentoring involves the willingness of leaders to accept proteges and introduce them to new and more challenging aspects of the organization.

• One partner in conjunction with an academic institution developed a scholars program to attract outstanding undergraduate students and to recognize excellence among academically gifted students from diverse backgrounds.

• One partner works with the community and colleges to "grow" talent in the sciences. The company tracks and funds the education of promising scholars. This enables the company to insure skilled leaders will be apart of the industry in the future.

• All of one partner's internship and fellowship programs include targeted development plans; assigned mentors; evaluation of the skills gained for promotions; rotational assignments; and succession planning.

• One partner's advanced degree development program targets future leaders in functional areas and considers what the organization will need in 10 to 15 years. The program also includes four one-year rotations and is focused on exposure, not fast-tracking.

• The mentoring process in one partner organization entails the tracking, monitoring, and mentoring of candidates from

Under represented groups positioned for senior assignments. These persons are educated through an innovative development program, which culminates with an advanced degree. Participants are expected to capitalize on the training and to maximize their promotional potential within the company.

9.10Employee Wellness

Finally, as another venue for diversity participation, our partners establish links between diversity and work life activities such as dependent care funds, alternative work scheduling, and life cycle assistance.

• One partner organization offers a healthy living program free of charge to all employees and their spouses and domestic partners.
This program includes health assessments and counseling. All participants earn a Healthy Living day off for completing the full screening.

• Another partner sponsors a program designed to help expectant and new parents understand and feel comfortable about breastfeeding their infants. The program offers education and counseling with a trained lactation specialist. New mothers can nurse their babies when they return to work, aslactation rooms are available in the workplace.

• One partner's internal structure deals with the" whole person." This company provides numerous training, mentoring, work life and career development programs. These programs are designed to retain and expand the current workforce, and help employees balance career and personal needs.

• One partner recognizes the connection between the employees' personal lives and their productivity on the job and has developed various programs responsive to the diverse needs of its workforce. The Life Cycle Assistance Program was established to assist employees with the purchase of a first home, adoption and child care assistance ,partial pay replacement for family and medical leave, and elder care assistance foremployees with elderly parents**.**

9.11 Summary

Human Resource Management (HRM) interventions targeted at developing, integrating and supporting the employees in an organization. These interventions operate on the premise that employee development and well-being can lead to increased organizational performance. There are three main HRM interventions: Performance Management, Developing Talent and Managing Workforce Diversity and Well-Being.

9.12 Key words

Career Planning -Employees join an organization to fulfill their career goals and aspirations and organizations provide opportunities to fulfill them. Where there is a mismatch between the two, employees experience dissatisfaction and withdraw from the organization to join another where such opportunity exists.

Work Force Diversity-Advances in technology and the advent of a global economy bring the people of the world closer together than ever before. Given this fact, businesses, educational systems and other entities are investigating ways to better serve their constituents. This includes being able to attract and retain the best and most qualified workers

Planning- This stage entails setting employees' goals and communicating these goals with them. While these goals should be disclosed in the job description to attract quality candidates, they should be communicated once again when the candidate becomes a new hire

Monitoring- In this phase, managers are required to monitor the employees performance on the goal. This is where continuous performance management comes into the picture. With the right performance management software, you can track your teams performance in real-time and modify and correct course whenever required

Developing- This phase includes using the data obtained during the monitoring phase to improve the performance of employees. It may require suggesting refresher courses, providing an assignment that helps them improve their knowledge and performance on the job, or altering the course of employee development to enhance performance or sustain excellence.

Rating- Each employees performance must be rated periodically and then at the time of the performance appraisal. Ratings are essential to identify the state of employee performance and implement changes accordingly. Both peers and managers can provide these ratings for 360-degree feedback.

9.13Self Assessment Questions

1. Discuss the HRM Interventions
2. Briefly explain the Performance management cycle
3. Explain the process of career planning
4. Describe the steps in career planning.

9.14 Suggested Readings

1. Kumkum Mukherjee (2015) Organizational Change and Development, 1st Edition, Pearson Education Inida.
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LESSON -10
STRATEGIC INTERVENTIONS

Learning Objectives

To Discuss the Evolution of OD Intervention
To study the characteristics or Features of OD intervention
To learn the Types of Structural Interventions
To understand the Advantages to MBO

Structure

10.1 Introduction
10.2 Evolution of OD Intervention
10.3 Characteristics or Features of OD Interventions
10.4 Structural Intervention
10.5 Types of Structural Interventions
    10.5.1. Socio Technical Systems:
    10.5.2. Self Managed Teams/ Autonomous Work Teams
    10.5.3. Work Redesign
    10.5.4. MBO
10.6 Advantages to the Organization
    10.6.1 Better Planning
    10.6.2 Efficient Management
    10.6.3 Clear Organizational Roles
    10.6.4 Increases Level of Commitment
    10.6.5 Facilitates Control
10.7 Advantages To Superiors
    10.7.1 Performance Evaluation
    10.7.2 Better Guidance and Direction
    10.7.3 Accelerates Motivation of Subordinates
    10.7.4 Coordinating Individual Efforts to Group Efforts
10.8 Advantages to Subordinates
    10.8.1 Simplifies Goal Achievement
    10.8.2 Increases Job Satisfaction
    10.8.3 Initiates Self-Direction and Self-Control
    10.8.4 Encourages Innovative Thinking and Idea
    10.8.5 Establishes Cordial Relations with Superiors
    10.8.6 Motivates to Perform Better
10.9 Limitations Of MBO
10.10 Quality Circles:
10.11 Features of Quality Circles Are As Under
10.12 TQM (Total Quality Management)
10.13 Principles of Total Quality Management
10.14 Summary
10.15 Key words
10.16 Self Assessment Questions
10.17 Suggested Readings

10.1 Introduction

"OD interventions are set of structured activities in which selected organizational units (target groups or individuals) engage in a task or sequence of tasks with the goals of organizational improvement and individual development." -French & Bell

"OD intervention is a sequence of activities action and events intended to help organization improve its performance and effectiveness. -Cummings & Worley

OD interventions are the building blocks which are the planned activities designed to improve the organization's functioning through the participation of the organizational members.

10.2 Evolution of OD Intervention

The process of evolution of OD intervention was landmarked by the invention of Kurt Lewin and his theory of planned change. This theory stated that if change is managed with planned efforts it can be successful. So for the planned change efforts the various behavioral scientists proposed the OD interventions.

OD Interventions Examples

Microsoft relied on OD interventions aimed at behavioural changes and operational changes.
Cisco initiated change through substantial structural interventions, statistical evaluation interventions and process interventions. It also focuses on CSR initiatives.

Dell focused on six sigma as an OD intervention for zero defects.
Hyundai and Toyota focus on cultural interventions and quality management systems.
Wipro adopted for internal organizational restructuring to meet customer specific needs.
ONGC relies on succession planning, employee participation, training, organizational remodeling and climate surveys as OD interventions.

Infosys has a broad base of OD interventions like Leadership development programme, personal development initiatives, cross functional assignments, 360-degree feedback, psychometric testing (MBTI) for individual personality assessment.

10.3 Characteristics or Features Of OD Interventions

1. OD interventions are planned activities
2. OD interventions refer to implementation of entire OD program systematically.
3. OD interventions are decided mutually by client and a consultant.
4. Selection of appropriate OD intervention denotes careful diagnosis of current system of an organization.
5. Application of OD interventions require participation and involvement of a client system.
6. OD interventions focus on social and task performance enhancement.
7. OD interventions differ From organization to organization based on requirement.

10.4 Structural Intervention

Structured interventions also called as Techno structural Intervention. It aimed at improving organizational effectiveness through changes in the tasks, structural, technological and goal processes in the organizations. It Focus on job design, division of labor and hierarchy, arrangements of equipment and people etc.

10.5 Types Of Structural Interventions

1. Socio Technical Systems (STS)
2. Self managed Teams
3. Work Redesign
4. Management by Objectives (MBO)
5. Quality Circles
6.Total Quality Management (TQM)

10.5.1. Socio Technical Systems:

Socio technical systems (STS) in organizational development is an approach to complex organizational work design that recognizes the interaction, between people and technology in workplaces. The term also refers to the interaction between society's complex infrastructures and human behaviour.

It is based on joint optimization of the social and technological systems of organization. The boundary between the organization & its environment should be managed to allow effective exchanges but protection from external disruptions. The implementation of STS should be highly participative.

10.5.2. Self Managed Teams/ Autonomous Work Teams

Alternative to traditional assembly line methods. Rather than having a large number of employees each do a small operation to assemble a product, the employees are organized into small teams, each of which is responsible for assembling an entire product. These teams are self managed, and are independent of one another. Providing teams with a grouping of tasks that comprises a major unit of the total work to be performed.

10.5.3. Work Redesign

Job design (also referred to as work design or task design) is a core function of human resource management and it is related to the specification of contents, methods and relationship of jobs in order to satisfy technological and organizational requirements as well as the social and personal requirements of the job holder.

Its principles are geared towards how the nature of a person's job affects their attitudes and behavior at work, particularly relating to characteristics such as skill variety and autonomy.

The aim of a job design is to improve job satisfaction, to improve through-put, to improve quality and to reduce employee problems (e.g., grievances, absenteeism).

Richard Hackman & Greg Oldham have provided an OD approach to work design based on theoretical model of what job characteristics lead to psychological states that produce high internal work motivation.

It is based on five job characteristics- Skill variety, task identity, task significance, autonomy and feedback from the job.

10.5.4. MBO

Peter Drucker, known as father of MBO technique, coined this term in 1954. Management By Objectives (MBO) is the process of setting achievable goals for the

managers and employees at all the levels to be accomplished within a stipulated period. It streamlines the plan of action of the workforce and establishes their roles and responsibilities.

According to George S. Ordure, "The system of management by objectives can be described as a process whereby the superior and subordinate managers of an organization jointly identify its common goals, define each individual's major areas of responsibility in terms of results expected of him, and use these measures as guides for operating the unit and assessing the contribution of each of its members.".

The actual performance of the individual is measured against his goals.
The subordinate and supervisor jointly developed specific goals and targets.
These goals must be specific and measurable.
The subordinate proposes a set of goals for the upcoming time period.

Characteristics Of MBO

1.Resource Optimization

MBO ensures the proper utilization of the available resource (i.e., human resources) eliminating the wastage of these resources in terms of time and efforts.

2. Goal Orientation

The initial step in MBO is the goal formation, and all the efforts are directed towards the accomplishment of these set objectives.

3.Multiple Accountability

In MBO, goals are formed for the employees, and therefore, everyone has their course of action for which they are individually accountable.

4.Universally Applicable

The concept of MBO can be applied to almost all the organizations, whether business entities or non-profit organizations.

5.Systems Approach

It is applied to the whole system and thus integrates the efforts of the individual, the organization and its environments in a single direction.

6.Simple and Comprehensive

Since MBO is a non-technical process, it can be easily understood by all types of managers and employees.

7. Operational

It is practically applicable to the day to day business operations, and the performance can be evaluated periodically by comparing the actual result to the desired outcome.

8. Employee Management Participation

The top management does not just set the goals in MBO but involves the active participation of the employees and the managers too.

9. Key Result Areas (KRA)

The priority zones in the organization which require special attention and are considered to be crucial for the growth and development of the business are termed as KRA. Thus, MBO focuses on this KRA for enhancing the overall performance.

10.6 Advantages to the Organization

MBO is a strategical approach adopted to streamline the business activities and direct the individual and group efforts towards the attainment of the organizational goals.
Following are some of the other benefits of MBO to the business entities:

10.6.1 Better Planning:

When the organization knows what it wants to achieve, i.e., its goals, it becomes quite easy to plan in that direction.

10.6.2 Efficient Management

MBO increases the efficiency of the organization to achieve its goals or objectives within a pre-determined time frame.

10.6.3 Clear Organizational Roles

MBO provides a goal, target and objective for each employee. It also defines their individual and group roles clearly, to avoid any confusion or doubt.

10.6.4 Increases Level of Commitment

When the employees have a clear goal or target, with a well-defined course of action, their level of commitment to give the desired results enhances.

10.6.5 Facilitates Control

It becomes easy for the management to review and control the activities of the employees because of MBO.

10.7 Advantages To Superiors

Superiors control the functioning of the subordinates and monitor their performance. There are many benefits of MBO to the superiors; some of these are explained below:

10.7.1 Performance Evaluation

MBO establishes a framework for every employee, thus providing a basis for the evaluation of individual performance.

10.7.2 Better Guidance and Direction

When the subordinates know what they have to do, it becomes easy for the superiors to guide and mentor them in the same direction.

10.7.3 Accelerates Motivation of Subordinates

Since MBO increases the level of commitment and enthusiasm of the employees towards their work, the superiors do not need to put in extra efforts on subordinates' motivation.

10.7.4 Coordinating Individual Efforts to Group Efforts

MBO emphasizes on achieving the organizational goals which will ultimately lead to the accomplishment of the individual goals as well. Thus, the superior can also direct the personal objectives and efforts of all the employees, towards the attainment of the organizational objective

10.8 Advantages To Subordinates

The subordinates are responsible for implementing MBO in their work stream. Following are the multiple benefits of MBO to the employees:

10.8.1 Simplifies Goal Achievement

The subordinates are assigned with individual roles, responsibilities and tasks in the direction of achieving organizational goals which simplify their work.

10.8.2 Increases Job Satisfaction

When the employees realize the level of efforts made by the management and the superiors to simplify their work, they feel valued and satisfied with their job.

10.8.3 Initiates Self-Direction and Self-Control

With the help of the well-defined workstream, roles, goals and responsibilities, the subordinates do not need to ask everything from the superiors and can monitor their activities by themselves.

10.8.4 Encourages Innovative Thinking and Idea

MBO promotes two-way communication in the organization. Here, the subordinates are also open up to speak out their ideas, thoughts and suggestions; and the management values their innovation and creativity.

10.8.5 Establishes Cordial Relations with Superiors

When the subordinates are free to communicate with the superiors in a highly motivated and positive work environment, a cordial relationship is formed among the two.

10.8.6 Motivates to Perform Better

As we already know that MBO acts as a motivator for the subordinates by setting targets for them, they tend to perform better than before.

10.9 Limitations Of MBO

Despite its numerous advantages, MBO has some shortcomings too, which may sometimes lead to poor results and a downturn in performance.

1. Lack of Proper Objective: Due to the changing environment and competitiveness, the organizational objective seems to be vague at times.

2. Issues in Goal Setting: Many times, companies set unrealistic goals which are too high to be attainment, thus hindering the MBO process.

3. Co-ordination Problem: Eventually, everyone knows their work and are engaged in completing the individual task without interacting with each other. Thus, there may arise a coordination issue in business operations.

4. Time Consuming: MBO takes a lot of time, sometimes years to give the desired results.

5. Reward-Punishment Approach: It functions on the concept that reward the performer and punish the no-performer; this approach brings in negativity and resistance in the employees.

6. Develops Organizational Problems: Sometimes superiors become lenient and carefree about the operations which may lead to substantial organizational problems on non-compliance of the assigned tasks.

7. Sometimes Lack Appreciation: It is said that in MBO, appreciation and appraisals are based on individual's performance. But in reality, in some organizations, promotions are based on favoritism.

10.10 Quality Circles:

Quality circle is a small group of employees in the same work area or doing similar type of work who voluntarily meets regularly for about an hour every week to identify, analyse and resolve work related problems.

It consists of 7-10 employees from a unit who meet together regularly to analyze and make proposals about product quality.

It is a form of group problem solving and goal setting with a primary focus on maintaining and enhancing product quality.

Quality Circles Leaders are encouraged to create a high degree of participation within the group.

10.11 Features of Quality Circles Are As Under

1. People Building Philosophy – A quality circle is a homogeneous group. The number of employees in a quality circle is between seven to ten and they generally come from a particular area. It consists of small group of persons who normally work at the same place and perform similar work.

2. Voluntary Group – No coercion or pressure is brought on any member to join or not to join. Nor can any member be barred from joining quality circles. Quality circles are voluntary associations of persons having common cause.

3. Participative Program – Quality circles represent collective effort. Every one working in the organization must get a chance to say what is in his mind. Everyone should have interest and value for the projects chosen for quality circles.

4. To Improve the Performance – Collective and participative efforts must result in the improvement of quality, productivity and performance. Cost and wastage must be reduced as a result of quality circles. The whole organization must gain both quantitatively as well as qualitatively.

10.12 TQM (Total Quality Management)

Total Quality Management is a combination of a number of organization improvement techniques and approaches including the use of quality circles, statistical quality control and extensive use of employee participation.

A core definition of total quality management (TQM) describes a management approach to long–term success through customer satisfaction. In a TQM effort, all members

of an organization participate in improving processes, products, services, and the culture in which they work.

10.13 Principles Of Total Quality Management

1. Commitment from the management: (PDCA)
Plan (drive, direct)
Do (deploy, support, and participate)
Check (review)
Act (recognize, communicate, revise)

2. Employee Empowerment
Training
Excellence team
Measurement and recognition
Suggestion scheme

3. Continuous Improvement
Systematic measurement
Excellence teams
Cross-functional process management
Attain, maintain, improve standards

4. Customer Focus
Partnership with Suppliers
Service relationship with internal customers
Customer-driven standards
Never compromise quality

5. Process Oriented
Thinking about the process
Handling of the process
Processes which are result oriented

6. Decision Making Based on Facts Only and Not on Opinions
Integrated, strategic and systematic approach to ensure the entire organization is aligned
Communication must be open and at all levels of the organization

10.14 Summary

Organizational Development (OD) aims to create long-lasting positive changes in an organization's culture, structure, systems, and processes. You need to understand and be able to apply different organizational development interventions to achieve your goals. Let's dive into OD interventions definition and examples of OD interventions.

10.15 Key words

OD intervention is a sequence of activities action and events intended to help organization improve its performance and effectiveness

Structural Intervention- Structured interventions also called as Techno structural Intervention. It aimed at improving organizational effectiveness through changes in the tasks, structural, technological and goal processes in the organizations

MBO- Peter Drucker, known as father of MBO technique, coined this term in 1954. Management by Objectives (MBO) is the process of setting achievable goals for the managers and employees at all the levels to be accomplished within a stipulated period

Quality Circles- Quality circle is a small group of employees in the same work area or doing similar type of work who voluntarily meets regularly for about an hour every week to identify, analyse and resolve work related problems.

TQM (Total Quality Management)- Total Quality Management is a combination of a number of organization improvement techniques and approaches including the use of quality circles, statistical quality control and extensive use of employee participation

10.16 Self Assessment Questions

1. Briefly Discuss the Evolution of OD Intervention
2. Explain the characteristics or Features of OD intervention
3.Examine the Types of Structural Interventions
4. Discuss the Advantages of MBO

10.17 Suggested Readings

1. R.G. Priyadarshini (2015) Organizational Change and Development, 1st Edition, Cengage India Private Limited.
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LESSON -11
ORGANIZATIONAL CULTURE

Learning Objectives

To Discuss the Organizational culture
To study the Characteristics of Organizational culture
To establish the role of Organizational culture
To Describe the Types of Organizational culture

Structure

11.1 Introduction
11.2 Meaning of Organizational Culture
11.3 Organizational culture/corporate culture
11.4 Definition of Organizational Culture
11.5 Characteristics of Organizational Culture
    11.5.1 Innovation (Risk Orientation)
    11.5.2 Attention to Detail (Precision Orientation)
    11.5.3 Emphasis on Outcome (Achievement Orientation)
    11.5.4 Emphasis on People (Fairness Orientation)
    11.5.5 Teamwork (Collaboration Orientation)
    11.5.6 Aggressiveness (Competitive Orientation)
    11.5.7 Stability (Rule Orientation)
11.6 Roles of Organizational Culture
11.7 Types of Organization Culture
    11.7.1 Normative Culture
    11.7.2 Pragmatic Culture
    11.7.3 Academy Culture
    11.7.4 Baseball Team Culture
    11.7.5 Club Culture
    11.7.6 Fortress Culture
    11.7.7 Tough Guy Culture
    11.7.8 Bet your Company Culture
    11.7.9 Process Culture
    11.7.10 Role Culture
    11.7.11 Task Culture
    11.7.12 Person Culture
    11.7.13 High vs. Low-Context Culture
11.8 Managing Organizational Culture
11.9 Steps of managing organizational culture
11.10 Summary
11.11 Key words
11.12 Self Assessment Questions
11.13 Suggested Readings

11.1 Introduction

Organizational culture is quite complex. Every company has its unique personality, just like people do. The unique personality of an organization is referred to as its culture. In groups of people who work together, organizational culture is an invisible but powerful force that influences the behavior of the members of that group.

There seems to be wide agreement that organizational culture refers to a shared meaning shared by members that distinguish the organization from other organizations.

11.2 Meaning of Organizational Culture

Organizational culture is a system of shared assumptions, values, and beliefs, which govern how people behave in organizations. Organizational culture includes an organization's expectations, experiences, philosophy, and values that hold it together and is expressed in its self-image, inner workings, interactions with the outside world, and future expectations.

It is based on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid.These shared values strongly influence the people in the organization and dictate how they dress, act, and perform their jobs.

Every organization develops and maintains a unique culture, which provides guidelines and boundaries for the behavior of the members of the organization.

11.3 Organizational culture/corporate culture includes-

The ways the organization conducts its business, treats its employees, customers, and the wider community,
The extent to which freedom is allowed in decision making, developing new ideas, and personal expression,
How power and information flow through its hierarchy, and
How committed employees are towards collective objectives.

11.4 Definition of Organizational Culture

Many Scholars have given the definition of organizational culture. Some of the popular definitions are given below:

According to Robbie Katanga, "Organizational Culture is how organizations do things."
According to Alec Haverstick, "In large part, Organizational culture is a product of compensation.

According to Bruce Perron, "Organizational culture defines a jointly shared description of an organization from within."

According to Richard Perrin, "Organizational culture is the sum of values and rituals that serve as a glue to integrate the organization's members."

According to Alan Adler, "Organizational culture is civilization in the workplace."

According to Elizabeth Skringar, "Organizational culture is shaped by the main culture of the society we live in, albeit with greater emphasis on particular parts of it."

According to Abdi Osman Jama, "An organization is a living culture that can adapt to the reality 4s fast as possible."

Organizational culture affects the organization's productivity and performance and provides guidelines on customer care and service, product quality and safety, attendance and

punctuality, and concern for the environment. It also extends to production methods, marketing and advertising practices, and new product creation.

Organizational culture is unique for every organization and one of the hardest things to change. Corporate culture reflects the values, beliefs, and attitudes that permeate a business.

Corporate culture is often referred to as "the character of an organization," representing the collective behavior of people using common corporate vision, goals, shared values, attitudes, habits, working language, systems, and symbols.

Corporate culture is interwoven with processes, technologies, learning, and significant events. It is a total sum of the values, customs, traditions, and meanings that make a company unique.

11.5 Characteristics of Organizational Culture

As individuals come into contact with organizations, they come into contact with dress norms, stories people tell about what goes on, the organization's formal rules and procedures, its formal codes of behavior, rituals, tasks, pay systems, jargon, and jokes only understood by insiders and so on.

Organizational culture is composed of seven characteristics that range in priority from high to low. Every organization has a distinct value for each of these characteristics.
Members of organizations make judgments on the value their organization places on these characteristics and then adjust their behavior to match this perceived set of values.
Characteristics of organizational culture are;
Innovation (Risk Orientation)
Attention to Detail (Precision Orientation)
Emphasis on Outcome (Achievement Orientation)
Emphasis on People (Fairness Orientation)
Teamwork (Collaboration Orientation)
Aggressiveness (Competitive Orientation)
Stability (Rule Orientation)

11.5.1 Innovation (Risk Orientation)

Companies with cultures that place a high value on innovation encourage their employees to take risks and innovate in the performance of their jobs. Companies with cultures that place a low value on innovation expect their employees to do their jobs the same way they have been trained, without looking for ways to improve their performance.

11.5.2 Attention to Detail (Precision Orientation)

This characteristic of organizational culture dictates the degree to which employees are expected to be accurate in their work. A culture that places a high value on attention to detail expects its employees to perform their work with precision, and a culture that places a low value on this characteristic does not.

11.5.3 Emphasis on Outcome (Achievement Orientation)

Companies that focus on results but not on how the results are achieved emphasize this value of organizational culture.

A company that instructs its sales force to do whatever it takes to get sales orders has a culture that places a high value on the emphasis on outcome characteristics.

11.5.4 Emphasis on People (Fairness Orientation)

Companies that place a high value on this characteristic of organizational culture place great importance on how their decisions will affect the people in their organizations. For these companies, it is important to treat their employees with respect and dignity.'

11.5.5 Teamwork (Collaboration Orientation)

Companies that organize work activities around teams instead of individuals place a high value on this characteristic of the organizational culture.

People who work for these types of companies tend to have a positive relationship with their coworkers and managers.

11.5.6 Aggressiveness (Competitive Orientation)

This characteristic of organizational culture dictates whether group members are expected to be assertive or easygoing when dealing with companies they compete with within the marketplace.

Companies with an aggressive culture place a high value on competitiveness and outperform the competition at all costs.

11.5.7 Stability (Rule Orientation)

A company whose culture places a high value on stability is rule-oriented, predictable, and bureaucratic in nature. These types of companies typically provide consistent and predictable levels of output and operate best in non-changing market conditions. These are the seven characteristics that are common in the context of organizational culture. Of course, it is true that the characteristics are not the same in all times and spheres.

11.6 Roles of Organizational Culture

Culture plays an important role in organizations. Some organizations that developed a strong corporate culture increased their goodwill and got a good position in the market.
The various roles of organizational culture are given below:
Culture unites (brings together) employees by providing a sense of identity with the organization.
An informal control mechanism.
Facilitation of open communication.
Culture enables organizations to differentiate themselves from one another.
Culture often generates commitment, superseding personal interests.
Culture sets organization norms, rules, and standards. Thereby, culture enables employees to function in an organization, by teaching them how to behave.

A shared Understanding.

Culture becomes especially important in a program/project-based organization. In such an organization, the hierarchy is flat and decision-making is moved to the project/program purpose units and departments. In this context, culture provides the guiding light towards the achievement of goals and objectives

Enhanced Mutual Trust and Cooperation
Fewer disagreements and more efficient decision-making processes.
A strong sense of identification.
Assisting employees in making sense of their behaviors by providing justification for behaviors.

11.7 Types of Organization Culture

The practices, principles, policies, and values of an organization form its culture. The culture of an organization decides the way employees behave amongst themselves and the people outside the organization.
Normative Culture
Pragmatic Culture
Academy Culture
Baseball Team Culture
Club Culture
Fortress Culture
Tough Guy Culture
Bet your Company Culture
Process Culture
Power Culture
Role Culture
Task Culture
Person Culture

11.7.1 Normative Culture

In such a culture, the norms and procedures of the organization are predefined, and the rules and regulations are set as per the existing guidelines. The employees behave in an ideal way and strictly adhere to the policies of the organization. No employee dares to break the rules and sticks to the already laid policies.

11.7.2 Pragmatic Culture

In a pragmatic culture, more emphasis is placed on the clients and the external parties. Customer satisfaction is the main motive of the employees in a pragmatic culture.

Such organizations treat their clients as Gods and do not follow any set rules. Every employee strives hard to satisfy his clients to expect maximum business from their side. ‘

11.7.3 Academy Culture

Organizations following academy culture and hire skilled individuals. The roles and responsibilities are delegated according to the employees’ background, educational qualification, and work experience. Organizations following academy culture are very particular about training the existing employees. They ensure that various training programs are being conducted at the workplace to hone the employees’ skills.

The management makes sincere efforts to upgrade the knowledge of the employees to improve their professional competence. The employees in an academy culture stick to the organization for a longer duration and also grow within it.Educational institutions, universities, hospitals, etc., practice such types of culture.

11.7.4 Baseball Team Culture

A baseball team culture considers the employees as the most treasured possession of the organization. The employees are the true assets of the organization who have a major role in its successful functioning.

In such a culture, the individuals always have an upper edge, and they do not bother much about their organization. Advertising agencies, event management companies, financial institutions follow such a culture.

11.7.5 Club Culture

Organizations following a club culture are very particular about the employees they recruit. The individuals are hired as per their specialization, educational qualification, and interests.

Each one does what he is the best. The high potential employees are promoted suitably and appraisals are a regular feature of such a culture.

11.7.6 Fortress Culture

There are certain organizations where employees are not very sure about their career and longevity. Such organizations follow a fortress culture.

The employees are terminated if the organization is not performing well. Individuals suffer the most when the organization is at a loss. Stockbroking industries follow such a culture.

11.7.7 Tough Guy Culture

In a tough-guy culture, feedbacks are essential. The performance of the employees is reviewed from time to time, and their work is thoroughly monitored.

Team managers are appointed to discuss queries with the team members and guide them whenever required. The employees are under constant watch in such a culture.

11.7.8 Bet your Company Culture

Organizations that follow bet your company culture take decisions that involve a huge amount of risk and the consequences are also unforeseen.

The principles and policies of such an organization are formulated to address sensitive issues, and it takes time to get the results.

11.7.9 Process Culture

As the name suggests, the employees in such a culture adhere to the processes and procedures of the organization.

Feedbacks and performance reviews do not matter much in such organizations. The employees abide by the rules and regulations and work according to the ideologies of the workplace. All government organizations follow such a culture.

Charles Handy, a leading authority on organizational culture, defined four different kinds of culture:

Power culture

Role culture

Task culture

Person culture

Power Culture

In an organization with a power culture, power is held by just a few individuals whose influence spreads throughout the organization. There are few rules and regulations in a power culture.

What those with power decide is what happens. Employees are generally judged by what they achieve rather than how they do things or how they act.

A consequence of this can be quick decision-making, even if those decisions aren't in the best long-term interests of the organization. A power culture is usually a strong culture, though it can swiftly turn toxic.

11.7.10 Role Culture

Organizations with a role culture are based on rules. They are highly controlled, with everyone in the organization knowing what their roles and responsibilities are.

Power in a role culture is determined by a person's position (role) in the organizational structure. Role cultures are built on detailed organizational structures that are typically tall (not flat) with a long chain of command.

A consequence is that decision-making in role cultures can often be painfully-slow and the organization is less likely to take risks.

In short, organizations with role cultures tend to be very bureaucratic.

11.7.11 Task Culture

Task culture forms when teams in an organization are formed to address specific problems or progress projects.

The task is important, so power within the team will often shift depending on the mix of the team members and the status of the problem or project.

Whether the task culture proves effective will largely be determined by the team dynamic. With productive and creative, the right mix of skills, personalities, and leadership, working in teams.

11.7.12 Person Culture

In an organization with personal cultures, individuals very much see themselves as unique and superior to the organization. The organization simply exists in order for people to work.

An organization with a person's culture is really just a collection of individuals who happen to be working for the same organization.

Sometimes founders create weak cultures, and if the organization is to Survive, a new top manager must be installed who will show the seeds for the necessary strong culture.

Although organizational cultures can develop in a number of different ways, the process usually involves some version of the following steps:

A single person (founder) has an idea for a new enterprise.

The founder brings in one or more other people and creates a core group that shares a common vision with the founder. That is, all in this core group believe that the idea is a good one, is workable, is worth running some risks for, and is worth the investment of time, money, and energy that will be required.

The founding core group begins to act in concert to create an organization by raising funds, obtaining patents, incorporating, locating space, building, and so on.

At this point, others are brought into the organization, and a common history begins to be built.

Most of today's successful corporate giants in all industries basically followed these steps.

11.7.13 High vs. Low-Context Culture

The concept of high- and low-context culture relates to how an employee's thoughts, opinions, feelings, and upbringing affect how they act within a given culture.

North America and Western Europe are generally considered to have low-context cultures. Low-context culture means that businesses in these places have direct, individualistic employees who tend to base decisions on facts.

This type of businessperson wants specifies noted in contracts and may have issues with trust. High-context cultures are the opposite in that trust is the most important part of business dealings. There are areas in the Middle East, Asia, and Africa that can be considered the high context.

Organizations that have high-context cultures are collectivist and focus on interpersonal relationships. Individuals from high-context cultures might be interested in getting to know the person they are conducting business with in order to get a gut feeling on decision making. They may also be more concerned about business teams and group success rather than individual achievement.

11.8 Managing Organizational Culture

We highlighted in our last post that there are plenty of frameworks for managing strategy, talent, leadership, and performance, but not culture. Culture has been this elusive, mysterious subject.

Survey action plans, engagement events or programs, and other improvements fall short of building a strong culture foundation the entire organization can understand and manage with clarity and speed.

Most leaders of successful cultures learn from experience and other mentors, peers, or experts, how to piece together their improvement approaches because there isn't a clear guide to follow.

While some guides exist, they are not broadly known and applied like other improvement disciplines.

Every organization that excels at the building, reinforcing, and leveraging its unique culture in upport of delivering sustainable performance has built a strong "culture foundation."

11.9 Steps of managing organizational culture;

- ✓ Evaluate your current culture and performance.
- ✓ Clarify your initial vision.
- ✓ Clarify values and expected behaviors.
- ✓ Clarify strategic priorities.
- ✓ Engage your team in defining SMART goals.
- ✓ Clarify and track key measures.
- ✓ Maintain a management system for priorities and goals.
- ✓ Manage communication habits and routines.

- ✓ Build motivation throughout the process.

Step 1 – Evaluate your current culture and performance.
Define your 1-3 critical performance priorities – e.g., growth, profitability, customer satisfaction, etc.;
identify your 3-5 value/behavior strengths and
identify no more than 1-3 value/behavior weaknesses that are holding back your organization from achieving its full potential with the performance priorities you defined.

Step 2 – Clarify your initial vision.
Define your vision for improving results with only one or two of the performance priorities from step No. 1 and how you will build a culture advantage by leveraging the value/behavior strengths and improving the weaknesses.
Clearly, communicate how you will work together to improve the weak areas since they are holding your organization back from supporting your purpose and stakeholders.

Step 3 – Clarify values and expected behaviors.
Define supporting expected behaviors for the 1-3 weaknesses that you identified in step #1.
These behaviors would be consistently exhibited in your organization if you were "living your values." People interpret values from their own perspective so define expected behaviors like Zappos, The Container Store, and others.

Step 4 – Clarify strategic priorities.
Define and clearly share the 3-5 actionable strategic priorities that your organization will focus on to support the 1-2 performance priorities included in your initial vision from the Define steps.

If the performance priority is growth, will it be achieved through new products or services, revised sales strategies, growth with current customers, or other strategies.
Employees want and need to understand the big picture.

Step 5 – Engage your team in defining SMART goals.
Engage your organization and utilize extensive feedback and prioritization to define the objectives that support each strategic priority. These goals need to define in a way to support the expected behaviors for the 1-2 weaknesses you identified from the Define steps.
For example, if accountability is a weakness, goals should include more disciplined plans, measures, reviews, recognition, and other approaches to support the behavior you need.
Goals also need translating to all levels in larger organizations so people understand how to work on their goals and measures impacts the broader organization.

Step 6 – Clarify and track key measures.
Identify a small number of overall measures that support one or two top performance priorities from the Define steps. It may help to have one highly visible "unifying metric" even if some employees don't directly influence it.

Step 7 – Maintain a management system for priorities and goals.
Most organizations have a system to track or monitor the status of priorities and goals. These reviews need adjusting to focus additional time and attention on the top performance priorities and value/behavior shifts identified in the Define steps.

The focus must be on results and supporting the behavior shift through recognition, coaching, removing barriers, etc.

Step 8 – Manage communication habits and routines.

Transparent, genuine, and consistent communication is needed about your performance improvement journey and the role of culture, so all employees feel part of the process. Regularly scheduled sessions with two-way communication and extensive informal approaches are needed to emphasize expected behaviors and results. Use these sessions to clarify plans, answer questions, expose rumors and reduce drama.

Step 9 – Build motivation throughout the process.

Feedback and recognition are critical to the process. Share and celebrate progress in a transparent manner as a standard part of regular communication activities. Confront reality when improvements don't go as planned and re-engage your team to prioritize adjustments.

Guidelines for Changing Culture

Despite the significant barriers and resistance to change, organizational cultures can be managed and changed over time. This attempt to change the culture "can take many different forms.

The organizations and managers in global relations "must learn to communicate across the cultural divide; each must understand that the other perceives and interacts in a fundamentally different way.

Three-fourths of companies believe their alliances failed because of an incompatibility of the country and corporate cultures. Simple guidelines such as the following can be helpful;

Assess the current culture.
Set realistic goals that impact the bottom line.
Recruit outside personnel with industry experience so that they can interact well with the organizational personnel.

Make changes from the top down so that a consistent message is delivered from all management team members.

Include employees in the culture change process, especially when making changes in rules and processes.

Take out all trappings that remind the personnel of the previous culture. Expect to have some problems and find people who would rather move than change with the culture and, if possible, take these losses early.

Move quickly and decisively to build momentum and defuse resistance to the new culture.
Stay the course by being persistent. Also, organizations attempting to change their culture must be careful not to abandon their roots and blindly abandon their core but distinctive competencies.

Cultural Variables (Identified by Harris and Moran)

Culture, therefore, is a moral, intellectual, and spiritual discipline for advancement in accordance with the norms and values based on accumulated heritage.

It is a system of learned behavior shared by and transmitted among the members of the group. There are so many cultural variables that Harris and Moran identified.

How to Keep the Culture Alive in your Organization?

Once a culture is in place, there are practices within the organization that act to maintain it by giving employees a set of similar experiences.

Some important practices which help to sustain the culture strengthening organizational culture are as depicted in the following diagram:

Selection

The first such practice is the careful selection of candidates.

Standardized procedures should be used to hire the right people for the right jobs. Trained personnel interview the candidates and attempt to screen out those whose personal styles and values do not fit with the organization's culture.

By identifying the candidates who can culturally match the organizational culture, selection helps sustain culture to a large extent. Additionally, the selection process provides the applicants' information about the organizational culture.If the applicants perceive a conflict between their values and the organization's values, they can themselves decide not to join the organization.

Top Management

The actions of top management also have a major impact on the organization's culture.Through what they say, how do they behave, senior executives, establish norms that filter through the organization as to whether risk-taking is desirable, how much freedom managers should give to their subordinates, what is the appropriate dress code, what actions will pay off in terms of pay raise, promotions, and other rewards and the like.

Socialization

The organization may have done a very good job in recruiting and selecting the employees, but sometimes the employees are still not indoctrinated in the organization's culture. Since these persons are not familiar with the organization's culture, they are most likely to disturb the existing beliefs and customs of the organization.

Therefore, the organization needs to help new employees adapt to its culture. This adaptation process is called 'Socialization.'.

11.10 Summary

OD practitioners have developed a variety of culture definitions and number of culture change interventions. There is good agreement about the elements or features of culture that are typically measured. they include artifacts, norms, values, and basic assumptions. The meanings attached to these elements help members make sense out of everyday life in the organization. The meanings signal how work is performed and evaluated, and how employees are to relate to each other and to significant others, such as customers, suppliers, and government agencies.

11.11 Key words

Innovation (Risk Orientation)- Companies with cultures that place a high value on innovation encourage their employees to take risks and innovate in the performance of their jobs.

Attention to Detail (Precision Orientation)- This characteristic of organizational culture dictates the degree to which employees are expected to be accurate in their work

Emphasis on Outcome (Achievement Orientation)- Companies that focus on results but not on how the results are achieved emphasize this value of organizational culture

Emphasis on People (Fairness Orientation)- Companies that place a high value on this characteristic of organizational culture place great importance on how their decisions will affect the people in their organizations

Teamwork (Collaboration Orientation)- Companies that organize work activities around teams instead of individuals place a high value on this characteristic of the organizational culture

Aggressiveness (Competitive Orientation)- This characteristic of organizational culture dictates whether group members are expected to be assertive or easygoing when dealing with companies they compete with within the marketplace.

Stability (Rule Orientation)- A company whose culture places a high value on stability is rule-oriented, predictable, and bureaucratic in nature. These types of companies typically provide consistent and predictable levels of output and operate best in non-changing market conditions

11.12 Self Assessment Questions

1. Briefly Discuss the concept of Organizational culture
2. Describe the characteristics of Organizational culture
3. Explain the role of Organizational culture
4. Briefly Design the Types of Organizational culture

11.13 Suggested Readings

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LESSON-12
LEARNING AND KNOWLEDGE MANAGEMENT

Learning objectives

Explain meaning and levels of organizational learning.
Understand the general approaches for changing an equilibrium.
Describe theory of organizational learning and its goals.
Know the steps for starting the organizational learning

Structure

12.1 Introduction
12.2 Meaning of Organizational Learning
12.3 Necessity of Organizational Learning
12.4 Organizational Learning and/or individual learning
12.5 Organizational Learning or Organizational Change
12.6 Organizational Learning or the Learning Organization
12.7 The Organizational Learning: Curve For Change
12.8 General Approaches For Changing An Equilibrium
12.9 Theory Of Organizational Learning
12.10 Goals Of The Organizational Learning System
12.11 Seven Steps For Starting The Organizational Learning
12.12 Decision Making And Organization Learning
12.13 Summary
12.14 Keywords
12.15 Self Assessment Questions
12.16 Suggested Readings

12.1 Introduction

Organizations are routine-based, history-dependent and target-oriented. Levitt and March (1988), in a review of research on organizational learning, find that organizations learn by encoding inferences learned from history into routines that guide behaviour. Organizations learn from direct experience as well as from the experience of others and develop conceptual frameworks for interpreting their experience.

In the new millennium, we have entered a new era in the evolution or organizational life and structure. The immense changes in the economic environment caused by globalization and technology have forced organization across the world to make significant transformations in order to adapt, survive, and succeed in the new world.

12.2 Meaning Of Organizational Learning

Learning can be defined as a relatively permanent change in behaviour or potential behaviour that results from direct or indirect experience. Each part of this definition deserves attention. First, learning involves change. After we have learned, we are somehow different from what we were before-for better or worse. We learn new job skills and new ideas, we may also learn to steal and to avoid work.

Second, the change brought about by learning tends to be long-lasting. Thus a student memorises material for an exam, and then promptly forgets it has not really learnt anything. Like work, workers who work less at the end of the day than in the morning have not learnt to work more steadily. They are simply tired.

Third, learning affects behaviour or potential behaviour. Because we cannot read minds, we must depend on observation to see how much learning has occurred. Suppose a new fellow who has been arriving at work on time sees the boss scold some workers who come late. The punctual worker now has an added reason to be on time every day. Even though actual behaviour has not been altered, learning has taken place because potential behaviour- the likelihood of being late-has been reduced.

At the organizational level, managers can promote organizational learning through the way they create an organization's structure and culture. An organization's structure can be designed to inhibit or facilitate inter-group communication and problem solving, and this affects team members approach to learning.

Inter organizational

Organizational structure and culture not only established the shared vision or framework of common assumptions that guide learning inside an organization, but also determine how learning takes place at the inter-organizational level.

12.3 Necessity Organizational Learning

Today, there are a growing number of organizational people becoming increasingly aware that the knowledge, the strategies, the leadership and the technology of yesterday will not lead to success in tomorrow's world. It has become obvious to them that companies have to increase their corporate capacity to learn if they are to function successfully in an environment that includes continual mergers, rapid technological changes, massive societal changes, and increasing competition.

To obtain and sustain competitive advantage in this new world, companies realize that they have to transform the way they work and, even more importantly, transform the way they learn.

The demands put on organizations now require learning to be delivered faster, cheaper, and more effectively to a fluid workplace, and mobile workforce dramatically affected by daily changes in the marketplace than ever before. And what are some of these critical issues facing today's corporation?

• Reorganization, restructuring, and reengineering for success, it not just survival.
• Increased skill shortages with schools unable to adequately prepare for work in the 21st century.
• Doubling of knowledge every 2 to 3 years.
• Global competition from the world's most powerful companies.
• Overwhelming breakthroughs of new and advanced technologies.
• Spiraling need for organizations to adapt to change.

So, keeping all these challenges in mind, organizations should consider the following issues:

12.4 Organizational Learning and/or individual learning

Learning means change. It is not simply a matter of adding something. There is always reorganization or restructuring. There may be unlearning. Learning involves a change in behavior; learning may make us respond differently. Learning may also involve a change in the organism, and over time in the personality (Kidd, 1959). Inherent in this definition is the assumption that if a person learns there is a progression and/or a survival element that will justify the learning in some cause-effect relation.

12.5 Organizational Learning or Organizational Change

Change should, therefore, be defined as a function of both performance and learning. This definition originates from a sociological perspective and has been interpreted as Change = Performance + Learning. For our purposes we have defined this relation as Change = Performance × Learning.

12.6 Organizational Learning or the Learning Organization

The learning organization is a representation of a desired end. Organizational learning is a representation of the dynamic human processes required to increase the cognitive capacity of the total organization.

Is it important that we make a distinction between these two terms? The answer to this question lies in our ability, or inability, as an organization to implement the actions required for reaching the end result-the learning organization.

12.7 The Organizational Learning: Curve For Change

Organizational learning curve of change

It is the period of adaptation that follows change and it typically means there will be a temporary decline in effectiveness before a group reaches a new equilibrium. Employees need time to understand and adapt in order to accept change. During this period they are trying to integrate the change, and they are likely to be less effective than they originally were. They have to get rid of old habits (unfreeze) and apply the new ones (refreeze). There are many problems to be worked out. Procedures are upset, and communication patterns are disrupted. Conflicts develop about the change, and cooperation declines. Problems arise and time must be taken to resolve them. The result is that, as the statement goes, "Things are likely to get worse before they get better."

Building Support for Change

Assuming that management is following the model of the change process, then forces of support need to built before, during, and after a change. Selected activities to build support are described below

Figure 12.2 A Typical organizational Learning curve for change

Use of group forces brings effective change that focuses on the group along with the individuals. Usually more than one person is involved, but more importantly the group is an instrument for bringing strong pressure on its members to change. Providing a rationale for

change capable leadership reinforces a climate of psychological support for change. The leader presents change on the basis of the impersonal requirements of the situation, rather than on personal grounds.

12.8 General Approaches for Changing An Equilibrium

1. Adding new supporting forces
2. Removing restraining forces
3. Increasing the strength of a supporting force
4. Decreasing the strength of a restraining force
5. Converting a restraining force into a supporting force

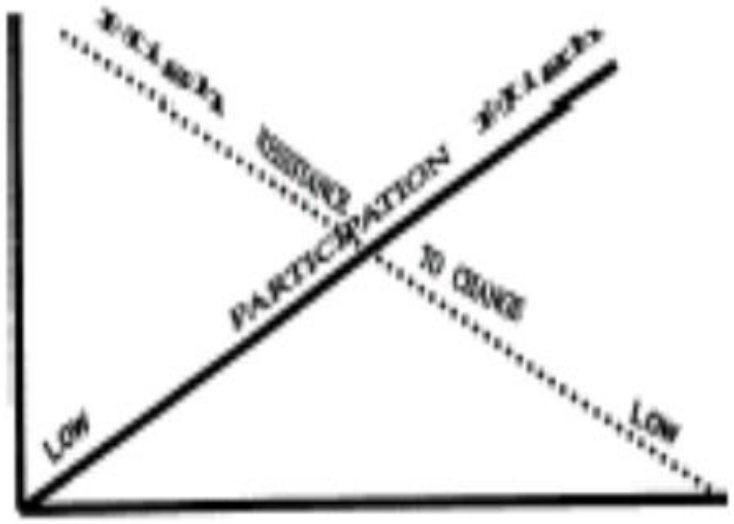

Figure 12.3 A Model of Participation and Resistance to change

Participation

A fundamental way to build support for change is through participation. It encourages employees to discuss, to communicate, to make suggestions, and to become Interested in change. Participation encourages commitment rather than mere compliance with change. Commitment implies motivation to support a change and to work to ensure that it operates effectively.

A general model of participation and change indicates that as participation increases, resistance to change tends to decrease. Resistance declines because employees have less cause to resist. Since their needs are being considered, they feel secure in a changing situation.

Shared rewards

Another way to build employee support for change is to be sure that there are enough rewards for employees in the changed situation. It is only natural for employees to ask, "What's in this for me?" If they see that a change brings them losses and not gains, they can hardly be enthusiastic about it

Employee Security

Along with shared rewards, existing employee benefits need to be protected. Security during a change is essential. Many employers guarantee workers' protection from reduced earnings when new machines and methods are introduced.

Communication

Communication is essential in gaining support for change. Even though a change will affect only one or two in a work group of ten, all of them need to know about the change in order to feel secure and to maintain group cooperation.

Stimulating Employee Readiness

Closely related to communication is the idea of helping employees become aware of the need for a change. This approach builds on the premise that change is more likely to be accepted if the people affected by it recognize a need for it before it occurs. This awareness may happen naturally, as when a crisis occurs, or it can be induced by management through sharing operating information with employees.

Working with Unions

Management in the performance of its function is primarily an initiator of change. The union, on the other hand, serves more as a restraint on management and as a protector of security for its members. It frequently is cast in the role of resisting change. Working with the total system resistance to change can be reduced by helping employees to recognize the need for each change and to participate in it and gain from it.

Five management guidelines for responsible change may be summed up as follows:
1. Made only necessary and useful change. Avoid unnecessary change.
2. Change by evolution, not revolution (that is, gradually, not dramatically).
3. Recognize the possible effects of change, and introduce it with adequate attention to human needs.
4. Share the benefits of change with employees.
5. Diagnose the problems remaining after a change occurs, and treat them.

Change is everywhere, and its pace is increasing. The work environment is filled with change that, while positive in intent, upsets the social system and requires employees to adjust. When they do, employees respond with their emotions as well as rational reasoning. Resistance to change can focus on the change itself or on the way it was introduced. Father, it can be logical, psychological, or sociological.

12.9 Theory Of Organizational Learning

The General Theory of Action

Parsons describes the General Theory of Action in terms of four subsystems: the biological organism (later renamed behavior), personality, culture, and social. Each of these subsystems of actions contributes to the survival of the total system of actions by carrying out a specific function that enables the system to adapt to its environment.

This theory provides not only a descriptive dimension of the system of organizational action, but also a conceptual framework that allows us to explain the operation or functioning of the subsystems with respect to each other and to the action system as a whole.

1. Adaptation is the complex of unit acts which serves to establish relations between the system and its external environment.

2. Goal attainment is the complex of actions which serves to define the goals of the system and to mobilize and manage resources and effort to attain goals and gratification.
3. Integration is the complex of action, the purpose of which is to establish control inhibiting deviant tendencies, maintain coordination between parts and avoid too-serious disturbances
4. Pattern maintenance is a complex of actions that accumulates and distributes energy in the form of motivation. It is the point of contact between systems, of action and the symbolic and cultural universe.

The Organizational Learning System Model

As the environment grows in complexity it is becoming more apparent that the rate at which the organizations learn may be the deciding factor in their ability to survive or adapt to the environment. By describing the organization as a social action system and extending Parsons' General Theory of Action, we can pose questions concerning the processes used by the organizations to understand their external and internal environments. Some Persons' function allow the organization to

• Survive as a viable system of actions, to take actions different from past actions
• To know if present actions are different from the past or not, and to understand the reasons for this difference.
• To allow the collective to retain its knowledge over a period to time
• To ensure that knowledge is available to inform the actions of the entire organization

Performance- The "Other" System of Learning

As previously stated, change is a function of both learning and performance. Just as Parsons explained the system of actions in terms of subsystems, the organizational learning and performance systems are made up of subsystems of actions.
A system of organizational actions can produce change through performance.

Performance consists of all behavior by which an organization disrupts its situation to a greater or lesser degree. Functions of this system are describe below

• The exchange subsystem provides the performance system with the adaptation function.
• The production subsystem provides the human performance system with the goal attainment functions

The coordination subsystem provides the human performance system with the integration function.

• The reinforcement subsystem provides the human performance system with the pattern maintenance function.

12.10 Goals Of The Organizational Learning System

The goal of the organizational learning system is defined as transforming information into valued knowledge. This, in turn, increases the adaptive capacity of the organization in a changing environment. Goal reference knowledge is the interchange media output of the action/reflection subsystem of action. We must be careful here to differentiate between two sets of goals: there are goals associated with the actions of the organization's performance system, and there are the goals associated with the organization's learning system. In changing of the organization with the both sets of goals are identical- the changing of the organization with the purpose of survival.
However, the goal of the learning system is to adapt through learning, which the goal of the performance system is to adapt through performance.
Solving Problems Via Actions/Reflection at General Electric
Probably one of the most well-known and successful of all corporate action/reflection programs is GE's workout, which began in 1989. Among the key goals of workout are:

• Solve critical system-wide problems
• Develop learning capacities of employees.
• Improve responsiveness to customers.
• Minimize vertical and horizontal barriers.
• Rid the company of boundaries and needless bureaucracy.

Action learning- A key action tool for organizational learning Action learning is a dynamic process that involves a small group of people solving real problems while at the same time focusing on what they are learning and how their leaning can benefit each group member and the organization as the whole.

Benefits of action learning are:
• Shared learning throughout various levels of the organization
• Greater self-awareness and self-confidence due to new insights and feedback
• Ability to ask better questions and be more reflective
• Improved communications and teamwork.

The action learning program derives its power and benefits from six interactive and interdependent components (Fig. 6.4).

FIG. 6.4

Problem (Project, Challenge, Opportunity, Issue, or task)

Action learning is built around a problem (be it a project, a challenge, an issue, or task), the resolution of which is of high importance to an individual, team, and/or organization. Why is the selection of the problem so important? Because it is one of the fundamental beliefs of action learning that we learn best when undertaking some action, which we later reflect upon and learn from the organization

Problem (Project, Challenge, Opportunity, Issue, or task)

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Figure :**Problem (Project, Challenge, Opportunity, Issue, or task)**

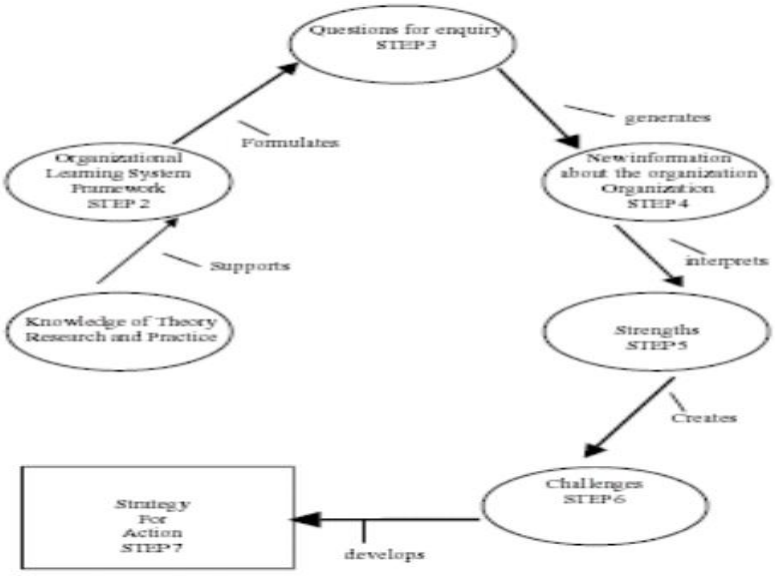
Group Facilitator

Facilitation is important to help the group slow down its process in order to allow sufficient time to reflect on learning. A facilitator (also referred to as a learning coach or a set advisor) may be a working group member.

The facilitator is very important in helping participants reflect both on what they are learning and how they are solving problems.

12.11 Seven Steps For Starting The Organizational Learning

The process of increasing an organization's learning capabilities do not start by selecting your favourite consultant (and his or her model) or by merely having a vision or as to what you want your organization to become. It must start with an understanding of what represents the organization's present capabilities in both the performance and learning systems (Fig. 12.4).



Step 1: Knowledge of theory, Research, and Practice

By reading this chapter, you have already taken the first step. Understanding that there are multiple theories (and associated research) that address, in some cases, only parts of an organizational learning system builds a foundation for valuing information about your organization's actions. Remember that theories are not natural laws, they are simply

explanations of social phenomena that have to be continuously tested within the context of any organization.

Step 2: Understanding or Organization Learning Systems Model

If you accept these arguments you also have a framework that allows you to integrate many theories, research results, and stories of practices into a quilt or map. Theorganizational learning system provides a dynamic social basis for judging organizational actions of both learning and performing.

Step 3: Asking Questions for Inquiry

Using the Organizational Learning Systems Model as a framework offers four sets of introspective questions, one set for each of the subsystems of learning actions. By asking these questions, the organization begins the process of generating new information concerning its learning system.

New Information and the Environmental Interface Subsystem

• How does the organization define its organizational environment?
• What are the processes used to scan the environment?
• What segments of the environment are scanned?
• What criteria are used to determine the nature of the environmental scan?
• What kind of information does the organization create?

Goal Referenced knowledge and Action/Reflection subsystem

• What criteria does the organization employ to distinguish routine issues from exceptional issues?
• At what organizational level are our problems defined?
• To what extent are employees involved in the decision-making processes?
• How open is the organization to critical inquiry and dialogue?
• Does the organization support experimentation
• Are there mechanisms in place for reflection of the collective and specifically the executive/managerial levels?

Structuring and Dissemination and Diffusion Subsystem

• To what extent are performance data available: individual and strategic?
• How is the role of leadership defined in the organization?
• How are knowledge and information shared: vertically and horizontally?
• How are success and failure documented?

How is the organization structured to facilitate the integration of information and knowledge at the necessary levels.

• How are well-established technical methods communicated through out the organization? How are new methods?

Sense making and Memory and Meaning subsystem

• How is information about technical expertise stored?
• How do you access this information when you need it?
• How does the organizational culture facilitate or inhibit information sharing?
• How does the collective create meaning?
• What value is placed on learning? Performance?
• What are the basic assumptions of the organization concerning learning?

Step 4: Convert the New Information into meaningful knowledge

These questions will generate new information about the organization that can be valued as to its meaning. Information is not knowledge. If it is converted directly into actions associated with performance, then the organization is not learning; it is simply moving information. The process of learning begins with understanding and assigning meaning to the information through reflection.

Step 5: Analyze the inputs and Outputs of Each Subsystem

The system's nature of organizational learning requires us to examine the inputs of each of the subsystems to ascertain the nature of the outputs. The analysis of the new information, using the context of the organizational learning system, allows the organization to develop knowledge of its strength and challenges. How is the organization structured to facilitate the integration of information and knowledge at the necessary levels.

• How are well-established technical methods communicated through out the organization? How are new methods?

Sense making and Memory and Meaning subsystem

• How is information about technical expertise stored?
• How do you access this information when you need it?
• How does the organizational culture facilitate or inhibit information sharing?
• How does the collective create meaning?
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Step 6: Convert the New Information into meaningful knowledge

These questions will generate new information about the organization that can be valued as to its meaning. Information is not knowledge. If it is converted directly into actions associated with performance, then the organization is not learning; it is simply moving information. The process of learning begins with understanding and assigning meaning to the information through reflection.

Step 7: Analyze the inputs and Outputs of Each Subsystem

The system's nature of organizational learning requires us to examine the inputs of each of the subsystems to ascertain the nature of the outputs. The analysis of the new information, using the context of the organizational learning system, allows the organization to develop knowledge of its strength and challenges.

Challenge VII- Lack of Information Movement

Challenge VIII- Inappropriate Alignment of Roles

Challenge IX- Lack of Understandable Policy Regarding Information

Challenges of the Meaning and Memory Subsystem

The meaning and memory subsystem of actions requires the input of structuring, goal reference knowledge, and new information to understand the influence of these actions on the production of sense making.

The following three patterns that the learning organization must be aware of the maintain effective sense making and to support its learning capacity:

Challenge X- Lack of Alignment in Multiple Organizational Memory.

Challenge XI- Lack of Cultural Profile.

Challenge XII- Thinking you Can Fix Only One Subsystem at a Time

Step 8: Take Action

One of the questions that occurs in this reflection process is "Once we have the information and have identified the challenges, where should we start from?" Not all of the learning subsystems are equal in their influence on the organizational learning system. They all have necessary functions; however, the guiding function of the meaning and memory subsystem is the most influential and is also the most remote and penetrable to change.

It is apparent through this cybernetic relationship, that the pattern maintenance function, as enacted through the meaning and memory subsystem, is a critical factor in understanding and possibly adjusting the organization's learning capacity.

12.12 Decision Making And Organization Learning

1. Try to guard against blindness and rigidity in decision making, be on the lookout for new problems, and be open to new solutions.

2.Develop a questioning attitude, and never discount warnings that problems are impending.

3. Analyze the cognitive structures through which you and your subunit define problems. Question whether these beliefs or values reflect the realities of the situation.

4. Examine your decision making to determine whether cognitive biases are affecting the quality or your decisions.

5. To protect the quality of your decision making, develop strategies to enhance organizational learning. For example, listen to your opponents, experiment with new solutions, encourage diversity, and use dialectical inquiry.

12.13 Summary

Organizational learning is the process through which managers seek to improve Organization members' desire and ability to understand and manage the organization and its environment so that they can make decisions that continuously raise organizational effectiveness.

Broadly, there are four levels of organizational learning i.e. at individual level, group level, organizational level, and at inter-organizational level. It has become a necessity to understand organizational learning is to obtain and sustain competitive advantage in this new world. The demand put on organizations now require learning to be delivered faster, cheaper, and move effectively to a fluid workplace. There are few general approaches for changing an equilibrium like adding new supporting forces, removing restraining forces, increasing the strength of supporting force, decreasing the strength of a restraining force and converting a restraining force into a supporting force.

In the theories of organizational learning emphasis has been laid on dynamic nature of the general theory of action where it is stressed that subsystems of the biological organisms contributes to the survival of the total system of actions by carrying out a specific function that enables the system to adopt to its environment. In the goals of organizational learning system, stress has been given to solving problems via action and action learning is key tool for organizational learning.

12.14 keywords

Organization learning- The process through which managers seek to improve organization members' capacity to understand and manage the organization and its environment so that they can make decisions that continuously raise organizational effectiveness.

Communication- The transmission of information and meaning from one party to another through the use of shared symbols.

Organizational change- The process by which organizations move from their present state to some desired future state to increase their effectiveness.

12.15 Self Assessment Questions

1. Define organizational learning? What are the various levels of organizational learning?
2. Describe in detail the organizational learning curve for change.
3. Elaborate the general approaches for changing an equilibrium.
4. Write down in brief the various theories of organizational learning.
5. Define goals of the organizational learning system? Also elaborate the seven steps towards organizational learning

12.16 Suggested Readings

1. Senior (2009) Organizational Change, 3rd Edition, Pearson India.
2. V. Nilakant & S. Ramnarayan (1994) Managing Organizational Change, 1st Edition, SAGE Publications India Private Limited.
3. Harsh Pathak (2010) Organizational Change, 1st e Edition, Pearson Education India.
4. Ratan Raina (2018) Change Management and Organizational Development, SAGE Publications India Private Limited.

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LESSON-13
INTRODUCTION TO ORGANIZATIONAL DEVELOPMENT

Learning Objectives

- ✓ To Learn the Concept of Organizational Development
- ✓ To Understand the Elements of Organizational Development
- ✓ To Discuss the Goals of Organization Development
- ✓ To Study the Assumptions And Steps in Organizational Development

Structure

13.1 Introduction
13.2 Concept of Organizational Development
13.3 Elements of Organizational Development
13.4 Goals of Organization Development
13.5 Assumptions And Steps in Organizational Development
13.6 Steps in Organization Development
13.6.1. Diagnosis of Problem
13.6.2. Planning Strategy for Change
13.6.3. Collection of Data
13.6.4. Action Planning and Problem Solving
13.6.5. Evaluation
13.7 History and Evolution of Organizational Development
13.7.1. Social Processes
13.7.2. Work Designs
13.7.3. Human Resources
13.7.4. Organization Structures
13.8 Values, Ethics And Assumptions of OD
13.9 Ethics in OD
13.10 Summary
13.11 Key words
13.12 Self Assessment Questions
13.13 Suggested Readings

13.1 Introduction

The organizations are complex systems comprising of many subsystems which must work together in harmony and synchronization. The fact that there are a number of variables that affect subsystems and that the subsystems themselves interact with each other makes the system even more complicated. Adding to the complication is the dynamic nature of the environment in which the organization exists and the rapidly changing values of the variables affecting the system. Accordingly, management must be prepared to achieve a degree of organizational synthesis as well as change the organizational environment to accommodate the change in the conditions. This organizational change must be pre-planned and not be a haphazard one.

13.2 Concept of Organizational Development

The term organization development is used to capture the developmental efforts or the planned changes that are made in organizations on an on-going basis to improve the vitality of the organization and its members. There are many definitions of organization development (OD) and we can comprehensively define it as follows: OD is a planned, systematic, organised, and collaborative effort where behavioural science and organization theory

principles and practices are continuously applied in order to increase the quality of life which is reflected in increased organizational health and vitality, enhanced individual and group members' competence and self-worth, and the general overall well-being of society. In a sense, OD makes the difference between being and becoming– the former term reflecting a static state of things as they currently are, and the latter denoting a developmental aspect constantly experiencing a state of growing, developing, and reaching new heights.

Organizations develop and grow; and so do individuals, groups, and society itself. Thus, OD signifies a planned growth and developmental strategy for organizations, making use of behavioural science, organization theory, comparative management, and other fields of scientific knowledge. Currently, more behavioural science knowledge and techniques are used as intervention mechanisms, that is, techniques to bring about the desired changes. However, as more and more technological and demographic changes take place in the environment, the technical, structural, cultural and behavioural aspects have to be simultaneously explored, and more comprehensive intervention mechanisms will have to be used. This calls for a good knowledge of the relevant cross-disciplines such as sociology, psychology, anthropology, mathematics and decision sciences (for model building), general systems theory, socio-technical systems, and even theology to some extent, since we are now becoming cognizant of the fact that interventions such as meditation help to reduce stress at the workplace and is especially useful for managers.

OD is an educational strategy which focuses on the whole culture of the organization in order to bring about planned change. It seeks to change beliefs, attitudes, values and structures, in fact, the entire culture of the organization so that the organization may better adapt to technology and live with the pace of change. Thus, organization development may be defined as a technique for bringing change in the entire aspects of the organization so that change is easily absorbed.

According to Beckhard, "Organization development is an effort (1) planned (2) organization-wide and (3) managed from the top to (4) increase organization effectiveness and health through (5) planned interventions in the organization's 'processes', using behavioral science knowledge". The elements of this definition are examined below:

13.3 Elements of Organizational Development

According to Beckhard, "Organization development is an effort (1) planned (2) organization-wide and (3) managed from the top to (4) increase organization effectiveness and health through (5) planned interventions in the organization's 'processes', using behavioural science knowledge". The elements of this definition are examined below:

1.Planned change: OD is Planned evolution and improvement. This planning includes examining the present and systematically diagnosing the organization's needs, formulating specific plan for improvement, and mobilising the organizational resources needed to carry out the change.

2. Organization wide: The goal of OD is to improve the effectiveness of the total organization, although specific aspects may focus on subsystems. The underlying view is that an organization is a system of inter-related parts.

3. Managed from the top: In an OD effort, the manger is a key element to success. Of the change to work well, commitment from top management is crucial because it serves as a standard for the rest of the organization's members.

4. Organizational effectiveness: The object of OD is to increase the health and effectiveness of the organization. According to Beckhard, the healthy organization manages in terms of established goals; the organization is properly designed; decisions are made at the appropriate level; communications are relatively undistorted; win/lose activities are minimised; there is high 'conflict' regarding projects and the tasks (clash when working on the job; hence the organizational members. This focus on improving problem-solving skills by discussing data-based system problems is called action research. In other words, employees are "learning how to learn" from their experiences, so they can solve new problems in the future.

4. Experimental Learning: Organization development provides experimental learning to help the participants learn new behaviour patterns through experience. They can discuss and analyse their own immediate experience and learn from it. This approach tends to produce more changed behaviour than the traditional lecture and discussion, in which people talk about abstract ideas. Theory is necessary and desirable, but the ultimate test is how it applies in a real situation.

1. **Human Values**

OD programmes are often based on humanistic values.

The values are positive beliefs about the potential and desire for growth among employees. To be effective and self-reviewing, an organization needs employees who want to increase their skills and contributions. The best climate for this to happen is one that creates opportunities for growth by stressing collaboration, open communications, interpersonal trust, shared power, and constructive conformation. They all provide a value base for OD efforts and help ensure that the organization will be responsive to human needs.

2. **Contingency Orientation**

Organization development is situational and contingency oriented. As people learn to develop their behavioural concepts through experience, they can suggest various ways to solve a particular problem and to adapt any of them most suited in the present circumstances. Thus, OD is flexible and pragmatic, adapting actions to fit particular needs.

3. **Levels of interventions**

OD programmes are aimed at solving problems that may occur at the individual, interpersonal group, inter-group and total organizational level. OD interventions are designed for each level as forinstance career planning at the individual level, team building at the group level.

4. **Feedback**

Organization development supports feedback to participants so that they may be able to collect the data on which decisions are based. For this purpose participants may be divided into several groups according to the functions. Each such group takes its own decision on the subjects referred to it, and then, the decisions foreword to the other group for feedback. Each group comes to know the impression of other groups about it and then groups meet together to thrash out any misunderstanding developed among them. In this way, decisions of each group are checked by other groups and the final decision is reached.

13.4Goals Of Organization Development

O.D. seeks to change the organizational environment in which a manager works. It aims at the improvement of the total system to ensure that the full potential of a manager's abilities is utilised, and there is a sustained change in his behaviour which is conducive to a better organization performance. Some of the common goals of O.D. programmes are to:

(i) develop a self-renewing, viable system which can be reorganised in a variety of ways, depending on the tasks that are to be performed;

(ii) increase the level of trust and support among an organization's members;

(iii) create the environment in which authority-assigned role in augmented by authority based on knowledge and skill.

(iv) increase the openness an authenticity of communications laterally, vertically, and diagonally;

(v) increase the level of self and group responsibility in planning and implementation;

(vi) optimise the effectiveness of both the stable (the basic organization chart) and the temporary systems (the many projects, committees, etc.) through which much of an organization's work is accomplished by built-in and continuous improvement mechanisms;instance career planning at the individual level, team building at the group level.

(b) Limitations of Organization Development

Organization development is an important technique of inducing change. It has certain limitations also which are listed below:

1. OD can be no more powerful than the behaviour science concepts on which it is based. Behavioural science has many limitations which are applicable to organization development also.

2. OD requires use of certain persons who can take initiative to bring about change. Complacement people cannot be helpful in implementing organization development.

3. OD cannot be applied without giving due consideration to the local circumstances existing within the organization. The local circumstances may pose a problem in adapting to change.

13.5Assumptions And Steps in Organizational Development

(a) Assumptions of OD

Organization development is based on certain assumptions which are as follows:

1. Most individuals have drives towards personal growth and development. However, the work habits are a response to work environment rather that personality traits. Accordingly, efforts to change work-habits should be directed towards changing how the person is treated than towards attempting to change the person.

2. Highest productivity can be achieved when the individual goals are integrated with the organizational goals.

3. Cooperation is more effective than conflict. Conflict tends to erode trust, prohibit collaboration and eventually limit the effectiveness of theorganization. In healthy organizations, efforts are made at all levels to treat conflict as a problem subject to problem solving methods.

4. Suppression of feelings adversely affects problem solving, personal growth and satisfaction with one's work. Accordingly, free expression of nfeelings is an important ingredient for commitment to work.
5. Growth of individuals is facilitated by relationships which are open, supportive, and trusting. According, the level of interpersonal trust, support and cooperation should be as high as possible.

6. The difference between commitment and agreement must be fully understood, agreeing to do something totally different from being committed to do something. Sense of commitment makes it easier when this commitment is based upon participation in the process.

7. Organization development must be reinforced by the organization's total human-resources system.

13.6Steps in Organization Development

The steps in OD are explained below:

13.6.1. Diagnosis of Problem

OD programme starts with the identification of the problem in the Organization. Analysis of various symptoms-both overt and covert-may help in identifying the problem. Diagnosis of a problem will provide its causes and determine the nature of future action needed. A lot of bad decisions are taken because the decision-maker does not have a good grasp of the problem. Therefore, adequate information should be gathered to identify the real problem. If proper care is not taken at this stage, what may appear at first sight to be the real problem may ultimately turn out to be a mere symptom. The manager should try to have an overall view of the situation to find the real problem.

13.6.2. Planning Strategy for Change

Many firms employ management consultants to suggest strategies for change. The management consultants or OD practitioners should analyse the need for change and plan strategies of change. Various change strategies are discussed later in this chapter.

13.6.3. Collection of Data

Surveys may be made to determine organizational climate and behavioural problems. The consultant usually meets with groups away from work to develop information form questions such as these:
(a) What kinds of conditions contribute most to your job effectiveness?
(b) What kinds of conditions interfere with your job effectiveness?
(c) What would you most like to change in the way this organization operates?

13.6.4. Action Planning and Problem Solving

Work groups are assigned to review the data collected, to mediate among themselves areas of disagreement, and to establish priorities for changes. Groups use the data to develop specific recommendations for change. Discussion focuses on actual problems in their organization. Plans are specific, including who is responsible and when the action should be completed.

13.6.5. Evaluation

Organization development is generally a long process. Therefore, it is essential to carefully monitor the programme and get feedback regarding what is going on after the

initiation of the OD programme. This will help in introducing modifications, wherever necessary. For effective appraisal of OD programme, the use of critique sessions, systematic appraisal of change efforts, and the comparison pre-and post-training behavioural pattern is very effective.

13.7 History and Evolution of Organizational Development

In a little over five decades, OD has evolved a complex and diverse body of knowledge and practice. Because this expertise derives mainly from helping organizations change and improve themselves, the history of OD can be understood in terms of the kinds of changes that organizations have implemented over this time period. These include changes aimed at:

(1) Social processes;
(2) Work designs;
(3) Human resources; and
(4) Organization structures.

Although these changes are interrelated, each represents a distinct background in the growth of OD.

13.7.1. Social Processes

The earliest applications of OD involved helping organizations improve social processes including relationships among members, communication, group decision-making, and leadership. These process changes started in the early 1950s and were largely in response to emerging social problems that organizations experienced as they became larger and more bureaucratic. During the first half of the twentieth century, organizations grew increasingly large with numerous departments, levels of management, and rules and procedures. Management was largely responsible for commanding and controlling the enterprise typically in an authoritarian or paternalistic manner.

Over time, these organizational conditions generated a host of unintended social problems as members found it increasingly difficult to communicate both laterally and vertically, to resolve problems within and across groups, and to respond energetically to managerial directives. OD‟s response to these social problems started in the late 1940s with the work of Kurt Lewin and his colleagues in laboratory training. Bradford (1967) began with a training program for community leaders which included both cognitive learning about leadership as well as informal feedback about participant behaviour.

13.7.2. Work Designs

This branch of OD history involves designing work to make it more motivating and fulfilling. Traditionally, work was designed to promote technical rationality, resulting in jobs that were highly specified, fragmented, and repetitive. In the 1960s, the benefits of such work designs camemore and more under question. Employees complained that work was boring and meaningless; they felt alienated from their jobs and the organizations that employed them.

Organizations experienced growing problems with absenteeism, turnover, quality, and productivity. These problems spawned widespread calls for government, labor, and business to work jointly to improve the quality of the work life of the employees.

OD sought remedies for these problems in new work designs that were more geared to employee needs and aspirations than to traditional designs. These interventions were based

on the work of Eric Trist and his colleagues in socio-technical systems and of Frederick Herzberg and his colleagues in job enrichment.

13.7.3. Human Resources

This background of OD involves integrating people into organizations so they join, remain, and produce at high levels. Concern for human resources has traditionally been associated with the personnel function in organizations. OD‟s interest in human resource practices grew rapidly, many organizations faced serious global competition for the first time. They needed to produce at higher levels at lower costs. People generally do those things for which they are rewarded; rewards can play a powerful role in promoting performance.

Based on the work of Lawler (1981) , OD examined how rewards affect organization performance, this led to interventions aimed at making rewards more contingent on performance. One method that has grown in popularity over the past two decades is called „gain sharing‟. It involves paying organization members a bonus based on measurable gains in performance over some baseline standard.

13.7.4. Organization Structures

The most recent applications of OD involve structuring organizations so they are better aligned with their strategy and environment. Such largescale change has become more prevalent in the past two decades as organizations have increasingly faced complex, rapidly changing environments that often demand radical changes in how they compete and design themselves (Mohrman et al., 1989).

To help organizations make these transformations, OD has expanded its focus to the total organization and its competitive environment. Drawing on a variety of perspectives in corporate strategy (Miles & Snow, 1978; Porter, 1980; Hamel & Prahalad, 1994; Grant, 1998), OD has created interventions for assessing an organization’s competitive situation and making relevant changes in strategy if necessary.

This typically includes a so called „SWOT analysis‟ where the organization‟s strengths and weakness are compared to opportunities and threats in its competitive environment. Then, a strategy is created to build on the strengths and to take advantage of the opportunities, while accounting for the weaknesses and threats.

13.8 Values, Ethics And Assumptions of OD

Values: Standards of importance; such as Integrity, honesty, effectiveness, efficiency, productivity, profitability, service, quality of life. Values are guides about what to pursue and prefer.

Ethics: Standards of good and bad behavior based on values.A set of values, assumptions and beliefs constitutes an integral part of organization development, shaping the goals and methods of the field and distinguishing Organizational Development from other improvement strategies.

Organization Development:

Value-based process of improving individuals, relationships, and alignment among organizational components to enhance the effectiveness of the organization and the quality of life of its members, to better serve the organization’s purpose and its fit with the organization system of which the organization is a subsystem.

13.9 Ethics in OD

1. Participation, involvement and empowerment

This may be the most fundamental value we hold as OD practitioners. We know that "people support what they help create." Therefore, we encourage our clients to see the benefit of involving all organizational members in decision-making and change processes as appropriate.

2. The importance of groups and teams

Organizations are made up of a variety of formal and informal groups and teams. Therefore, we encourage clients to recognize the norms and beliefs that come along with these structures in order to help those groups and teams contribute most effectively to the organization.

3. Growth, development and learning

As OD practitioners, we have an optimistic view of people and teams. Therefore, we believe that our work with organizations should help people to learn the skills needed to help them navigate change in the future.

4. Valuing the whole person

In order to help individuals maximize their potential in an organization, we respect that people are complex. Therefore, we work hard to understand individuals have diverse needs, skills, and feelings and respect those differences in our work with them.

5. Dialogue and collaboration

Conflict is inevitable in teams and organizations. Therefore, we believe in using dialogue to address conflict in a healthy, open manner in order to move past the dysfunction that suppressed conflict can create.

6. Authenticity, openness and trust

In order to create trusting environments, organizational leaders and members must consistently demonstrate honesty and transparency in their words and actions. As OD practitioners, we must model this at all times.

13.10 Basic OD Assumptions that are based upon French and Bell

1. Most individuals have drives towards personal growth and development. However, the work habits are a response to work environment rather than personality traits. Accordingly, efforts to change work habits should be directed towards changing how the person is treated rather than towards attempting to change the person.

2. Highest productivity can be achieved when the individual goals are integrated with organizational goals. Also with such integration, the quality of the product is highly improved.

3. Cooperation is more effective than competition. Conflict and competition tend to erode trust, prohibit collaboration and eventually limit the effectiveness of the organization. In healthy organizations, "efforts are made at all levels to treat conflict as a problem subject to problem solving methods.

4. The suppression of feelings adversely affects problem solving, personal growth and satisfaction with one's work. Accordingly, free expression of feelings is an important ingredient for commitment to work.

5. The growth of individual members is facilitated by relationships, which are open, supportive and trusting. Accordingly, the level of interpersonal trust, support and cooperation should be as high as possible.

6. The difference between commitment and agreement must be fully understood. Agreeing to do something is totally different from being committed to do something. Sense of commitment makes it easy to accept change and the implementation of change for the purpose of organizational development is even easier when such a commitment is based upon participation in the process.

7. OD programmes, if they are to succeed, must be reinforced by the organization's total human resources system.

13.10 Summary

Organization development is the study of successful organizational change and performance. OD emerged from human relations studies in the 1930s, during which psychologists realized that organizational structures and processes influence worker behavior and motivation. Organizational (or organization) Development or simply O.D. is a technique of planned change. It seeks to change beliefs, attitudes, values and structures-in fact the entire culture of the organization—so that the organization may better adapt to technology and live with the pace of change

13.11 Key words

Organizational Development- The term organization development is used to capture the developmental efforts or the planned changes that are made in organizations on an on-going basis to improve the vitality of the organization and its members

Experimental Learning- Organization development provides experimental learning to help the participants learn new behaviour patterns through experience. They can discuss and analyse their own immediate experience and learn from it

Contingency Orientation- Organization development is situational and contingency oriented. As people learn to develop their behavioural concepts through experience, they can suggest various ways to solve a particular problem and to adapt any of them most suited in the present circumstances

Work Designs - This branch of OD history involves designing work to make it more motivating and fulfilling. Traditionally, work was designed to promote technical rationality, resulting in jobs that were highly specified, fragmented, and repetitive

13.12 Self Assessment Questions

1. Discuss the Concept and Elements of Organizational Development
2. Examine the Goals of Organizational Development
3. Explain the Assumptions And Steps in Organizational Development
4. Identify the History and Evolution of Organizational Development

13.13 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4. Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
5. Organization Development and change with Mind Taplle, Thomas, Cummings/Christopher.G.Worky, Cenage Learning India, Private Limited. 2023.

Dr. P.Arun Kumar

LESSON-14
THEORIES OF PLANNED CHANGE

Learning objectives

- ✓ To study the phases of planned change
- ✓ To understand the General models of planned change
- ✓ To Discuss the steps in planned change

Structure

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14.2 Activities
14.3 Phases of Planned Changes
14.3.1 Initiate the Inquiry
14.3.2 Discover the Themes
14.3.3 Envision a Preferred Future
14.3.4 Design and Deliver Ways to Create the Future
14.3.5 Comparisons of Change Models
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14.6 Different Types of Planned Change
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14.7 Steps of Planned Change
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14.1 Introduction

The pace of global, economic, and technological development makes change an inevitable feature of organizational life. However, change that happens to an organization can be distinguished from change that is planned by its members. In this book, the term change will refer to planned change. Organization development is directed at bringing about planned change to increase an organization's effectiveness and capability to change itself. It is generally initiated and implemented by managers, often with the help of an OD practitioner from either inside or outside of the organization. Organizations can use planned change to solve problems, to learn from experience, to reframe shared perceptions, to adapt to external environmental changes, to improve performance, and to influence future changes.

All approaches to OD rely on some theory about planned change. The theories describe the different stages through which planned change may be effected in organizations and explain the temporal process of applying OD methods to help organization members manage change. In this chapter, we first describe and compare three major theories of organization change that have received considerable attention in the field: Lewin's change model, the action research model, and the positive model. Next, we present a general model of planned change that integrates the earlier models and incorporates recent conceptual advances in OD. The general model has broad applicability to many types of planned change efforts and serves to organize the chapters in this book. We then discuss different types of

change and how the process can vary depending on the change situation. Finally, we present several critiques of planned change.

Conceptions of planned change have tended to focus on how change can be implemented in organizations. Called "theories of changing," these frameworks describe the activities that must take place to initiate and carry out successful organizational change. In this section, we describe and compare three theories of changing: Lewin's change model, the action research model, and the positive model. These frameworks have received widespread attention in OD and serve as the primary basis for a general model of planned change. Lewin's Change Model One of the earliest models of planned change was provided by Kurt Lewin.

He conceived of change as modification of those forces keeping a system's behavior stable. Specifically, a particular set of behaviors at any moment in time is the result of two groups of forces: those striving to maintain the status quo and those pushing for change. When both sets of forces are about equal, current behaviors are maintained in what Lewin termed a state of "quasi-stationary equilibrium." To change that state, one can increase those forces pushing for change, decrease those forces maintaining the current state, or apply some combination of both. For example, the level of performance of a work group might be stable because group norms maintaining that level are equivalent to the supervisor's pressures for change to higher levels. This level can be increased either by changing the group norms to support higher levels of performance or by increasing supervisor pressures to produce at higher levels. Lewin suggested that decreasing those forces maintaining the status quo produces less tension and resistance than increasing forces for change and consequently is a more effective change strategy.

Lewin viewed this change process as consisting of the following three steps, Unfreezing. This step usually involves reducing those forces maintaining the organization's behavior at its present level. Unfreezing is sometimes accomplished through a process of "psychological disconfirmation." By introducing information that shows discrepancies between behaviors desired by organization members and those behaviors currently exhibited, members can be motivated to engage in change activities.

14.2 Activities

Moving This step shifts the behavior of the organization, department, or individual to a new level. It involves intervening in the system to develop new behaviors, values, and attitudes through changes in organizational structures and processes.

Refreezing This step stabilizes the organization at a new state of equilibrium. It is frequently accomplished through the use of supporting mechanisms that reinforce the new organizational state, such as organizational culture, rewards, and structures.

Lewin's model provides a general framework for understanding organizational change. Because the three steps of change are relatively broad, considerable effort has gone into elaborating them. For example, the planning model developed by Lippitt, Watson, and Westley arranges Lewin's model into seven steps: scouting, entry, diagnosis (unfreezing), planning, action (moving), stabilization and evaluation, and termination (refreezing).

Similarly, Kotter's eight stage process can be mapped onto Lewin's phases: establishing a sense of urgency, creating the guiding coalition, developing a vision and

strategy, and communicating the change vision (unfreezing); empowering broad-based action, generating short-term wins (moving); and consolidating gains and producing more change, and anchoring new approaches in the culture (refreezing).

Lewin's model remains closely identified with the field of OD, however, and is used to illustrate how other types of change can be implemented. For example, Lewin'sthree-step model has been used to explain how information technologies can be implemented more effectively.

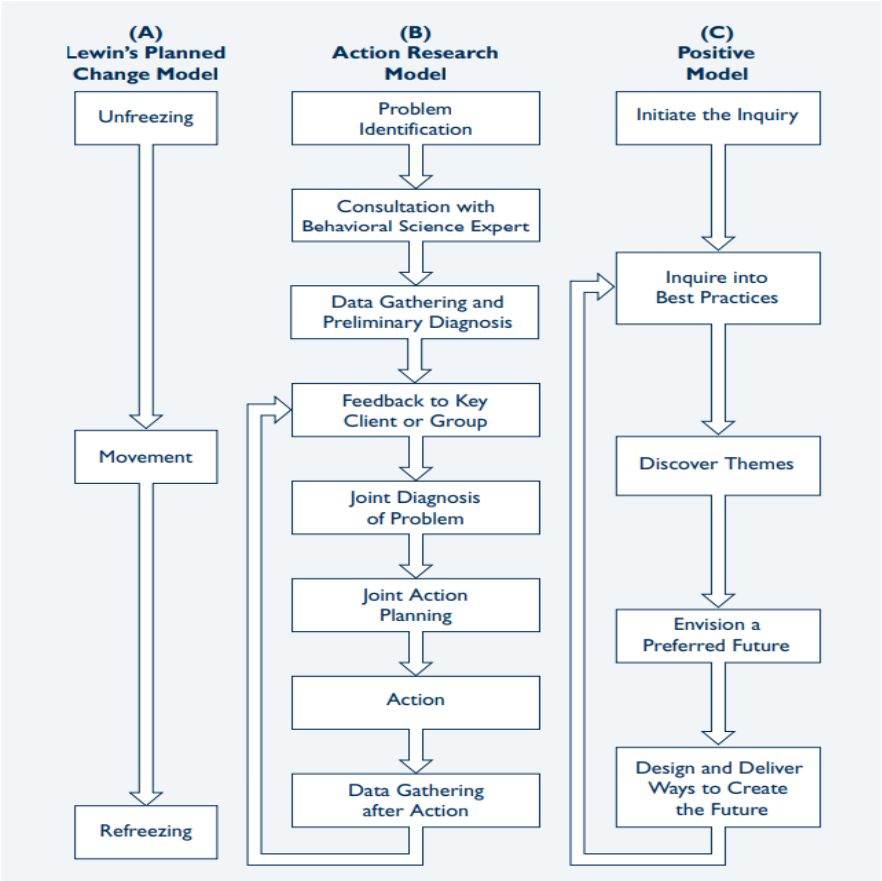
Action Research Model

The classic action research model focuses on planned change as a cyclical process in which initial research about the organization provides information to guide subsequent action. Then the results of the action are assessed to provide further information to guide further action, and so on. This iterative cycle of research and action involves considerable collaboration among organization members and OD practitioners. It places heavy emphasis on data gathering and diagnosis prior to action planning and implementation, as well as careful evaluation of results after action is taken.

Action research is traditionally aimed both at helping specific organizations implement planned change and at developing more general knowledge that can be applied to other settings.

Although action research was originally developed to have this dual focus on change and knowledge generation, it has been adapted to OD efforts in which the major emphasis is on planned change.

Comparison of Planned Change Models



phases of planned change as defined by the original action research model. There are eight main steps. Problem Identification. This stage usually begins when an executive in the organization or someone with power and influence senses that the organization has one or more problems that might be solved with the help of an OD practitioner. Consultation with a Behavioral Science Expert. During the initial contact, the OD practitioner and the client carefully assess each other. The practitioner has his or her own normative, developmental theory or frame of reference and must be conscious of those assumptions and values. Sharing them with the client from the beginning establishes an open and collaborative atmosphere.

Data Gathering and Preliminary Diagnosis

This step is usually completed by the OD practitioner, often in conjunction with organization members. It involves gathering appropriate information and analyzing it to determine the underlying causes of organizational problems. The four basic methods of gathering data are interviews, process observation, questionnaires, and organizational performance data (unfortunately, often overlooked). One approach to diagnosis begins with observation, proceeds to a semi structured interview, and concludes with a questionnaire to measure precisely the problems identified by the earlier steps. When gathering diagnostic information, OD practitioners may influence members from whom they are collecting data. In OD, any action by the OD practitioner can be viewed as an intervention that will have some effect on the organization.

Feedback to a Key Client or Group

Because action research is a collaborative activity, the diagnostic data are fed back to the client, usually in a group or work team meeting. The feedback step, in which members are given the information gathered by the OD practitioner, helps them determine the strengths and weaknesses of the organization or unit under study. The consultant provides the client with all relevant and useful data. Obviously, the practitioner will protect confidential sources of information and, at times, may even withhold data. Defining what is relevant and useful involves consideration of privacy and ethics as well as judgment about whether the group is ready for the information or if the information would make the client overly defensive.

Joint Diagnosis of the Problem

At this point, members discuss the feedback and explore with the OD practitioner whether they want to work on identified problems. A close interrelationship exists among data gathering, feedback, and diagnosis because the consultant summarizes the basic data from the client members and presents the data to them for validation and further diagnosis. An important point to remember, as Schein suggests, is that the action research process is very different from the doctor–patient model, in which the consultant comes in, makes a diagnosis, and prescribes a solution. Schein notes that the failure to establish a common frame of reference in the client–consultant relationship may lead to a faulty diagnosis or to a communication gap whereby the client is sometimes "unwilling to believe the diagnosis or accept the prescription." He believes that" most companies have drawers full of reports by consultants, each loaded with diagnoses and recommendations which are either not understood or not accepted by the 'patient.'

Joint Action Planning

Next, the OD practitioner and the client members jointly agree on further actions to be taken. This is the beginning of the moving process (described in Lewin's change model), as the organization decides how best to reach a different quasi-stationary equilibrium. At this

stage, the specification to be taken depends on the culture, technology, and environment of the organization; the diagnosis of the problem; and the time and expense of the intervention.

Action

This stage involves the actual change from one organizational state to another. It may include installing new methods and procedures, reorganizing structures and work designs, and reinforcing new behaviors. Such actions typically cannot be implemented immediately but require a transition period as the organization moves from the present to a desired future state.

Data Gathering After Action

Because action research is a cyclical process, data must also be gathered after the action has been taken to measure and determine the effects of the action and to feed the results back to the organization. This, in turn, may lead to re diagnosis and new action.

The action research model underlies most current approaches to planned change an dis often considered synonymous with OD. Recently, it has been refined and extended to new settings and applications, and consequently, researchers and practitioners have made requisite adaptations of its basic framework.

Trends in the application of action research include movement from smaller sub units of organizations to total systems and communities. In these larger contexts, action research is more complex and political than in smaller settings. Therefore, the action research cycle is coordinated across multiple change processes and includes a diversity of stakeholders who have an interest in the organization. (We describe these applications more.

Action research also is applied increasingly in international settings, particularly in developing nations in the southern hemisphere. Embedded within the action research model, however, are “northern hemisphere” assumptions about change. For example, action research traditionally views change more linearly than do Asian cultures, and it treats the change process more collaboratively than do Latin American and African countries. To achieve success in these settings, action research is tailored to fit cultural assumptions.

Finally, action research is applied increasingly to promote social change and innovation, as demonstrated most clearly in community development and global social change projects. These applications are heavily value laden and seek to redress imbalances in power and resource allocations across different groups. Action researchers tend to play an activist role in the change process, which is often chaotic and conflictual.

In light of these general trends, contemporary applications of action research have substantially increased the degree of member involvement in the change process. This contrasts with traditional approaches to planned change, whereby consultants carried out most of The change activities, with the agreement and collaboration of management. Although consultant-dominated change still persists in OD, there is a growing tendency to involve organization members in learning about their organization and how to change it. Referred to as “participatory action research,” “action learning,” “action science,” or “self-design,”this approach to planned change emphasizes the need for organization members to learnirst hand about planned change if they are to gain the knowledge and skills needed to change the organization. In today’s complex and changing environment, some argue that OD

must go beyond solving particular problems to helping members gain the competence needed to change and improve the organization continually.

In this modification of action research, the role of OD consultants is to work with members to facilitate the learning process. Both parties are "co-learners" in diagnosing the organization, designing changes, and implementing and assessing them. Neither party dominates the change process. Rather, each participant brings unique information and Expertise to the situation, and they combine their resources to learn how to change the organization. Consultants, for example, know how to design diagnostic instruments and OD interventions, and organization members have "local knowledge" about the organization and how it functions. Each participant learns from the change process. Organization members learn how to change their organization and how to refine and improve it. OD consultants learn how to facilitate complex organizational change and learning.

The action research model will continue to be the dominant methodological basis For planned change in the near future. But the basic philosophy of science on which traditional action research operates is also evolving and is described below.

The Positive Model

The third model of change, the positive model, represents an important departure from Lewin's model and the action research process. Those models are primarily deficit based; they focus on the organization's problems and how they can be solved so it functions better. The positive model focuses on what the organization is doing right. It helps members understand their organization when it is working at its best and builds off those capabilities to achieve even better results. This positive approach to change is consistent with a growing movement in the social sciences called "positive organizational scholarship," which focuses on positive dynamics in organizations that give rise to extraordinary outcomes. Considerable research on expectation effects also supports this model of planned change. It shows that people tend to act in ways that make their expectations occur. Thus, positive expectations about the organization can create an anticipation that energizes and directs behavior toward making those beliefs happen.

The positive model has been applied to planned change primarily through a process called appreciative inquiry (AI). As a "reformist and rebellious" form of social constructionism, AI explicitly infuses a positive value orientation into analyzing and changing organizations. Social constructionism assumes that organization members' shared experiences and interactions influence how they perceive the organization and behave in it. Because such shared meaning can determine how members approach planned change, AI encourages a positive orientation to how change is conceived and managed. It promotes broad member involvement in creating a shared vision about the organization's positive potential. That shared appreciation provides a powerful and guiding image of what the organization could be. Drawing heavily on AI, the positive model of planned change involves five phases.

14.3 Phases of Planned Changes

14.3.1 Initiate the Inquiry

This first phase determines the subject of change. It emphasizes member involvement to identify the organizational issue they have the most energy to address. For example, members can choose to look for successful male–female collaboration (as opposed to sexual discrimination), instances of customer satisfaction (as opposed to customer dissatisfaction),

particularly effective work teams, or product development processes that brought new ideas to market especially fast. If the focus of inquiry is real and vital to organization members, the change process itself will take on these positive attributes. Inquire into Best Practices. This phase involves gathering information about the "best of what is" in the organization. If the topic is organizational innovation, then members help to develop an interview protocol that collects stories of new ideas that were developed and implemented in the organization. The interviews are conducted by organization members; they interview each other and tell stories of innovation in which they have personally been involved. These stories are pulled together to create a pool of information describing the organization as an innovative system.

14.3.2 Discover the Themes

In this third phase, members examine the stories, both large and small, to identify a set of themes representing the common dimensions of people's experiences. For example, the stories of innovation may contain themes about how managers gave people the freedom to explore a new idea, the support organization members received from their coworkers, or how the exposure to customers sparked creative thinking. No theme is too small to be represented; it is important that all of the underlying mechanisms that helped to generate and support the themes be described. The themes represent the basis for moving from "what is" to "what could be."

14.3.3 Envision a Preferred Future

Members then examine the identified themes, challenge the status quo, and describe a compelling future. Based on the organization's successful past, members collectively visualize the organization's future and develop "possibility propositions"—statements that bridge the organization's current best practices with ideal possibilities for future organizing. These propositions should present a truly exciting, provocative, and possible picture of the future.

Based on these possibilities, members identify the relevant stakeholders and critical organization processes that must be aligned to support the emergence of the envisioned future. The vision becomes a statement of "what should be."

14.3.4 Design and Deliver Ways to Create the Future

The final phase involves the design and delivery of ways to create the future. It describes the activities and creates the plans necessary to bring about the vision. It proceeds to action and assessment phases similar to those of action research described previously. Members make changes, assess the results, make necessary adjustments, and so on as they move the organization toward the vision and sustain "what will be." The process is continued by renewing the conversations about the best of what is.

14.3.5 Comparisons of Change Models

All three models—Lewin's change model, the action research model, and the positive model—describe the phases by which planned change occurs in organizations. As shown in Figure 14.1, the models overlap in that their emphasis on action to implement organizational change is preceded by a preliminary stage (unfreezing, diagnosis, or initiate the inquiry) and is followed by a closing stage (refreezing or evaluation).

Moreover, all three approaches emphasize the application of behavioral science knowledge, involve organization members in the change process to varying degrees, and recognize that any interaction between a consultant and an organization constitutes an intervention that may affect the organization. However, Lewin's change model differs from

the other two in that it focuses on the general process of planned change, rather than on specific OD activities.

Lewin's model and the action research model differ from the positive approach in terms of the level of involvement of the participants and the focus of change. Lewin's model and traditional action research emphasize the role of the consultant with relatively limited member involvement in the change process. Contemporary applications of action research and the positive model, on the other hand, treat both consultants and participants as co-learners who are heavily involved in planned change. In addition, Lewin's model and action research are more concerned with fixing problems than with focusing on what the organization does well and leveraging those strengths.

14.3.6 General Model of Planned Change

The three models of planned change suggest a general framework for planned change. The framework describes the four basic activities that practitioners and organization members jointly carry out in organization development. The arrows connecting the different activities in the model show the typical sequence of events, from entering and contracting, to diagnosing, to planning and implementing change, to evaluating and institutionalizing change. The lines connecting the activities emphasize that organizational change is not a straightforward, linear process but involves considerable overlap and feedback among the activities. Because the model serves to organize the remaining parts of this book, IT also shows which specific chapters apply to the four major change activities.

14.3.7 Entering and Contracting

The first set of activities in planned change concerns entering and contracting. Those events help managers decide whether they want to engage further in a planned change program and to commit resources to such a process. Entering an organization involves gathering initial data to understand the problems facing the organization or to determine the positive areas for inquiry. Once this information is collected, the problems or opportunities are discussed with managers and other organization members to develop a contract or agreement to engage in planned change. The contract spells out future change activities, the resources that will be committed to the process, and how OD practitioners and organization members will be involved. In many cases, organizations do not get beyond this early stage of planned change because one or more situations arise: Disagreements about the need for change surface, resource constraints are encountered, or other methods for change appear more feasible. When OD is used in nontraditional and international settings, the entering and contracting process must be sensitive to the context in which the change is taking place.

14.3.8 Diagnosing

In this stage of planned change, the client system is carefully studied. Diagnosis can focus on understanding organizational problems, including their causes and consequences, or on collecting stories about the organization's positive attributes. The diagnostic process is one of the most important activities in OD. It includes choosing an appropriate model for understanding the organization and gathering, analyzing, and feeding back information to managers and organization members about the problems or opportunities that exist.

Diagnostic models for analyzing problems explore three levels of activities. Organization issues represent the most complex level of analysis and involve the total system. Group-level issues are associated with department and group effectiveness. Individual-level issues involve the way jobs are designed and performed.

Gathering, analyzing, and feeding back data are the central change activities in diagnosis. It describes how data can be gathered through interviews, observations, survey instruments, or such archival sources as meeting minutes and organization charts. It also explains how data can be reviewed and analyzed. we describe the process of feeding back diagnostic data. Organization members, often in collaboration with an OD practitioner, jointly discuss the data and their implications for change.

14.4 Planning and Implementing Change

In this stage, organization members and practitioners jointly plan and implement OD interventions. They design interventions to achieve the organization's vision or goals and make action plans to implement them. There are several criteria for designing interventions, including the organization's readiness for change, its current change capability, its culture and power distributions, and the change agent's skills and abilities. Depending on the outcomes of diagnosis, there are four major types of interventions in OD:

Human process interventions at the individual, group, and total system levels Interventions that modify an organization's structure and technology Human resources interventions that seek to improve member performance and wellness

Strategic interventions that involve managing the organization's relationship to its external environment and the internal structure and process necessary to support a business strategy

Implementing interventions is concerned with leading and managing the change process, it includes motivating change, creating a desired future vision of the organization, developing political support, managing the transition toward the vision, and sustaining momentum for change.

14.5 Evaluating and Institutionalizing Change

The final stage in planned change involves evaluating the effects of the intervention and managing the institutionalization of successful change programs so they persist. Feedback to organization members about the intervention's results provides information about whether the changes should be continued, modified, or suspended. Institutionalizing successful changes involves reinforcing them through feedback, rewards, and training. Application 2.1 describes the initiation of a planned change process in a government organization. It provides especially rich detail on the planning and implementing phase of change, and on how people can be involved in the process.

14.6 Different Types of Planned Change

The general model of planned change describes how the OD process typically unfolds in organizations. In actual practice, the different phases are not nearly as orderly as the model implies. OD practitioners tend to modify or adjust the stages to fit the needs of the situation. Steps in planned change may be implemented in a variety of ways, depending on the client's needs and goals, the change agent's skills and values, and the organization's context. Thus, planned change can vary enormously from one situation to another.

To understand the differences better, planned change can be contrasted across situations on three key dimensions: the magnitude of organizational change, the degree to which the client system is organized, and whether the setting is domestic or international.

14.6.1 Magnitude of Change

Planned change efforts can be characterized as falling along a continuum ranging from incremental changes that involve fine-tuning the organization to fundamental changes that entail radically altering how it operates. Incremental changes tend to involve limited dimensions and levels of the organization, such as the decision-making processes of work groups. They occur within the context of the organization's existing business strategy, structure, and culture and are aimed at improving the status quo.

Fundamental changes, on the other hand, are directed at significantly altering how the organization operates. They tend to involve several organizational dimensions, including structure, culture, reward systems, information processes, and work design. They also involve changing multiple levels of the organization, from top-level management through departments and work groups to individual jobs.

Planned change traditionally has been applied in situations involving incremental change. Organizations in the 1960s and 1970s were concerned mainly with fine-tuning their bureaucratic structures by resolving many of the social problems that emerged with increasing size and complexity. In those situations, planned change involves a relatively bounded set of problem-solving activities. OD practitioners are typically contracted by managers to help solve specific problems in particular organizational systems, such as poor communication among members of a work team or low customer satisfaction scores in a department store. Diagnostic and change activities tend to be limited to the defined issues, although additional problems may be uncovered and may need to be addressed. Similarly, the change process tends to focus on those organizational systems having specific problems, and it generally terminates when the problems are resolved. Of course, the change agent may contract to help solve additional problems. In recent years, OD has been increasingly concerned with fundamental change, the greater competitiveness and uncertainty of today's environment have led a growing number of organizations to alter drastically the way in which they operate. In such situations, planned change is more complex, extensive, and long term than when applied to incremental change.30 Because fundamental change involves most features and levels of the organization, it is typically driven from the top, where corporate strategy and values are set. Change agents help senior executives create a vision of a desired future organization and energize movement in that direction. They also help them develop structures for managing the transition from the present to the future organization and may include, for example, a program management office and a variety of overlapping steering committees and redesign teams. Staff experts also may redesign many features of the firm, such as performance measures, rewards, planning processes, work designs, and information systems. Because of the complexity and extensiveness of fundamental change, OD professionals often work in teams comprising members with different yet complementary areas of expertise. The consulting relationship persists over relatively long time periods and includes a great deal of renegotiation and experimentation among consultants and managers. The boundaries of the change effort are more uncertain and diffuse than those in incremental change, thus making diagnosis and change seem more like discovery than like problem solving. (We describe complex strategic and transformational types of change in more detail in. It is important to emphasize that fundamental change may or may not be developmental in nature. Organizations may drastically alter their strategic direction and way of operating without significantly developing their capacity to solve problems and to achieve both high performance and quality of work life. For example, firms may simply change their marketing mix, dropping or adding products, services, or customers; they may drastically downsize by cutting out marginal businesses and laying off managers and workers; or they may tighten

managerial and financial controls and attempt to squeeze more out of the labor force. On the other hand, organizations may undertake fundamental change from a developmental perspective.

They may seek to make themselves more competitive by developing their human resources; by getting managers and employees more involved in problem solving and innovation; and by promoting flexibility and direct, open communication. The OD approach to fundamental change is particularly relevant in today's rapidly changing and competitive environment. To succeed in this setting, firms such as General Electric, Kimberly-Clark, ABB, Hewlett Packard, and Motorola are transforming themselves from control-oriented bureaucracies to high-involvement organizations capable of changing and improving themselves continually. Degree of Organization Planned change efforts also can vary depending on the degree to which the organization or client system is organized. In over organized situations, such as in highly mechanistic, bureaucratic organizations, various dimensions such as leadership styles, job designs, organization structure, and policies and procedures are too rigid and overly defined for effective task performance. Communication between management and employees is typically suppressed, conflicts are avoided, and employees are apathetic. In under organized organizations, on the other hand, there is too little constraint or regulation for effective task performance. Leadership, structure, job design, and policy are poorly defined and fail to direct task behaviors effectively. Communication is fragmented, job responsibilities are ambiguous, and employees' energies are dissipated because they lack direction. Under organized situations are typically found in such areas as product development, project management, and community development, where relationships among diverse groups and participants must be coordinated around complex, uncertain tasks.

In over organized situations, where much of OD practice has historically taken place planned change is generally aimed at loosening constraints on behavior. Changes in leadership, job design, structure, and other features are designed to liberate suppressed energy, to increase the flow of relevant information between employees and managers, and to promote effective conflict resolution. The typical steps of planned change—entry, diagnosis, intervention, and evaluation—are intended to penetrate a relatively closed organization or department and make it increasingly open to self-diagnosis and revitalization. The relationship between the OD practitioner and the management team attempts to model this loosening process. The consultant shares leadership of the change process with management, encourages open communications and confrontation of conflict, and maintains flexibility in relating to the organization.

When applied to organizations facing problems in being under organized, planned change is aimed at increasing organization by clarifying leadership roles, structuring communication between managers and employees, and specifying job and departmental responsibilities. These activities require a modification of the traditional phases of planned change and include the following four steps:

14.7 Steps of Planned Change

Identification

This step identifies the relevant people or groups who need to be involved in the change program. In many under organized situations, people and departments can be so disconnected that there is ambiguity about who should be included in the problem-solving process. For example, when managers of different departments have only limited interaction

with each other, they may disagreeor be confused about which departments should be involved in developing a new product or service.

Convention

In this step, the relevant people or departments in the company are brought together to begin organizing for task performance. For example, department managers might be asked to attend a series of organizing meetings to discuss the division of labor and the coordination required to introduce a new product.

Organization

Different organizing mechanisms are created to structure the newly required interactions among people and departments. This might include creating new leadership positions, establishing communication channels, and specifying appropriate plans and policies.

Evaluation

In this final step, the outcomes of the organization step are assessed. The evaluation might signal the need for adjustments in the organizing process or for further identification, convention, and organization activities.

In carrying out these four steps of planned change in underorganized situations, the relationship between the OD practitioner and the client system attempts to reinforce the organizing process. The consultant develops a well-defined leadership role, which might be autocratic during the early stages of the change program. Similarly, the consulting relationship is clearly defined and tightly specified. In effect, the interaction between the consultant and the client system supports the larger process of bringing order to the situation .Application 2.2 is an example of planned change in an underorganized situation. In this case, the change agent is a person from industry who identifies a multifaceted problem: University research that should be helpful to manufacturing organizations is not being shaped, coordinated, or transferred. In response, he forms an organization to tighten up the relationships between the two parties

14.8 Critique of Planned Change

Despite their continued refinement, the models and practice of planned change are still in a formative stage of development, and there is considerable room for improvement. Critics of OD have pointed out several problems with the way planned change has been conceptualized and practiced.

Conceptualization of Planned Change

Planned change has typically been characterized as involving a series of activities for carrying out effective organization development. Although current models outline a general set of steps to be followed, considerably more information is needed to guide how those steps should be performed in specific situations. In an extensive review and critique of planned change theory, Porras and Robertson argued that planned change activities should be guided by information about (1) the organizational features that can be changed, (2) the intended outcomes from making those changes, (3) the causal mechanisms by which those outcomes are achieved, and (4) the contingencies upon which successful change depends.33 In particular, they noted that the key to organizational change is change in the behavior of each member and that the information available about the causal mechanisms that produce individual change is lacking.

Porras and Robertson concluded that the information necessary to guide change is only partially available and that a good deal more research and thinking are needed to fill the gaps. OD interventions review what is currently known about change features, outcomes, causal mechanisms, and contingencies.

A related area where current thinking about planned change is deficient is knowledge about how the stages of planned change differ across situations. Most models specify a general set of steps that are intended to be applicable to most change efforts.

However, the previous section of this chapter showed how change activities can vary depending on such factors as the magnitude of change, the degree to which the clients system is organized, and whether the change is being conducted in a domestic or an international setting. Considerably more effort needs to be expended identifying situational factors that may require modifying the general stages of planned change. That would likely lead to a rich array of planned change models, each geared to a specific set of situational conditions. Such contingency thinking is greatly needed in planned change.

Planned change also tends to be described as a rationally controlled, orderly process. Critics have argued that although this view may be comforting, it is seriously misleading. They point out that planned change has a more chaotic quality, often involving shifting goals, discontinuous activities, surprising events, and unexpected combinations of changes. For example, executives often initiate changes without plans that clarify their strategies and goals. As change unfolds, new stakeholders may emerge and demand modifications reflecting previously unknown or unvoiced needs. Those emergent conditions make planned change a far more disorderly and dynamic process than is customarily portrayed, and conceptions need to capture that reality.

Most descriptions of planned change typically describe a beginning, middle, and endto the process. Critics have argued that planned change models that advocate evaluation and institutionalization processes reinforce the belief that the organization will “refreeze” into some form of equilibrium following change. In the face of increasing globalization and technological change, it is unlikely that change will ever “be over.”

Executives, managers, and organization members must be prepared for constant change in a variety of organizational features that are not obvious in most models of planned change.

14.9 Summary

Finally, the relationship between planned change and organizational performance and effectiveness is not well understood. OD traditionally has had problems assessing whether interventions are producing observed results. The complexity of the change situation, the lack of sophisticated analyses, and the long time periods for producing results have contributed to weak evaluation of OD efforts. Moreover, managers have often accounted for OD efforts with post hoc testimonials, reports of possible future benefits, and calls to support OD as the right thing to do. In the absence of rigorous assessment and measurement, it is difficult to make resource allocation decisions about change programs and to know which interventions are most effective in certain situations.

14.10 Key words

Moving- This step shifts the behavior of the organization, department, or individual to a new level. It involves intervening in the system to develop new behaviors, values, and attitudes through changes in organizational structures and processes.

Refreezing -This step stabilizes the organization at a new state of equilibrium. It is frequently accomplished through the use of supporting mechanisms that reinforce the new organizational state, such as organizational culture, rewards, and structures.

Action Research Model-The classic action research model focuses on planned change as a cyclical process in which initial research about the organization provides information to guide subsequent action. Then the results of the action are assessed to provide further information to guide further action, and so on.

The Positive Model -The third model of change, the positive model, represents an important departure from Lewin's model and the action research process. Those models are primarily deficit based; they focus on the organization's problems and how they can be solved so it functions better.

Entering and Contracting -The first set of activities in planned change concerns entering and contracting. Those events help managers decide whether they want to engage further in a planned change program and to commit resources to such a process.

14.11 Self Assessment Questions

1. Discuss the Phases of Planned change
2. Describes General Model of Planned change
3. Explain the steps involved in the planned change

14.12 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4. Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
5.Organization Development and change with Mind Taplle, Thomas, Cummings/Christopher.G.Worky, Cenage Learning India, Private Limited. 2023.

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LESSON-15
ORGANIZATIONAL DEVELOPMENT PRACTIONER ROLE

Learning Objectives

- ✓ To Know the Skills and Strategies an Organizational Development Specialist
- ✓ To Understand the Issues Related to the Consultant-Client Relationship

Structure

15.1 Introduction
15.2 Consolidation change
15.3 Skills and Strategies an Organizational Development Specialist
15.4 Issues Related to the Consultant-Client Relationship
15.5 Summary
15.6 Key words
15.7 Self Assessment Questions
15.8 Suggested Readings

15.1 Introduction

1. Build a solid change communication strategy Before starting with the change communications efforts, one should first put down a compelling change communications strategy and plan. Plan should consist of:
2. Clearly defining the change and vision for the future Assessing all the factors related to the change
3. Analyzing all the stakeholders affected
4. Considering changes to day-to-day operations
5. Defining key messages
6. Creating inspiring and motivational internal content
7. Building an editorial communications calendar 8. Defining and understanding various internal audiences
8. Choosing the right communications channels needed to reach the right employees at the right time
9. Measuring the impact of your communications efforts

Get the leaders and managers on board The role of leadership in change communications is crucial. Front-line supervisors, middle managers as well as C-level executives should all act as role models who know how to drive change and encourage employees to embed new behaviors. This is even more important in this situation where employees expect from their leaders to be authentic and trustworthy communicators. For any change to be successful, leaders should continuously lead their teams and reinforce progress. However, even though employees want to hear from leaders during change, research proves that this is not always the case.

Define the most effective communication channels Delivering timely and relevant information is crucial for successful change communications. In order to ensure that the right message reaches the right employees at the right time, it is critical that employers understand their internal communications channels and define the ones that are most likely to catch employees' attention. Even though email is still a common way to get these messages out, this is not the most effective form of communication at work anymore. Moreover, important and relevant email bake only 38% of your employees' inboxes. That means that employees tend to ignore their emails due to the extensive information overload and content irrelevancy.

Communicate frequently to eliminate fatigue Communications leaders report managing change fatigue as their top mission-critical priority. Key to this is an effective change communications strategy that delivers the right information, messages and resources at the right time to enable employees for success and make them accept the change.

Many employees will remember the current pandemic as the most stressful period of their careers. Some are concerned about their health while others are concerned about losing their jobs, and most employees are struggling to keep up with all the new company's rules and regulations. When change is first announced, most employees will be in denial, rejecting it. This is why it is crucial to clearly define what kind of information should be communicated and how often it should be shared with employees.

Build internal awareness with creative communication campaigns Today's internal communicators also need to be creative content creators. Employees won't react to just any kind of internal campaign any more. We could even say that it is IC professional's job to get the employees' buy-in during change, making their job very similar to what marketers and salespeople do. When creating change communications campaigns, think out of the box. For example, instead of just sending an internal newsletter, consider creating a fun video. Instead of making a company-wide email announcement, create a channel designated to the change where people can also join the conversation. Remember, when your employees are on board and engaged with your change initiative, the chances of launching a successful change strategy increases by 30%.

Make communication personal and relevant One of the biggest challenges with internal change communications is audience segmentation that enables content localization, personalization and relevancy. Yet, if you send more than a few irrelevant emails to your employees, expect no attention from them in the future. If you are implementing change, it will probably not have the same impact on your employees in the US and Asia, remote and in-office employees, digital and blue-collar employees, employees in marketing versus employees working in production departments. Again, the current situation is a great example of the importance of content relevancy especially if you are in healthcare, travel and tourism or retail industry. Front-line employees working in those industries may be at higher risk of getting infected than the ones working from home. Therefore, change communications messages cannot be the same for everyone. One size does not fit all!

Clear the path to two-way communications When employees can talk publicly or in a closed group about their feelings, concerns and experiences, or when they have the ability to ask their leadership questions, it helps them feel like they have a voice in change. Enable easy access to important documents and information Making important messages and documentation easy for employees to access is a vital part of every change communications strategy. Employers need to ensure that information about change is at employees' fingertips. Moreover, they should ensure that the important information finds employees, and not the other way around. Publicly recognize your change ambassadors.

When employees accept change, they should be recognized and rewarded for their work. This will encourage them to move forward, and it will show others about the desired behaviors and actions. Therefore, consider implementing public employee recognitions as a part of your change communication campaigns. Celebrate your employees' wins publicly and create a healthy working environment.

Recognize and reward 77% of employees say that they would work harder if they were recognized for their work. Therefore, this approach can be a great motivation to comply with and implement the changes faster.

Recognize and reward employees for accomplishments and for adopting new behaviors during the transformation process. Celebrate the wins and milestones.

Empower your employees Empower your change management leaders as well as employees to engage in the change process by giving them freedom to make their own decisions and implement new ideas. If your employees don't feel empowered, the engagement level will drop and result in resistance to change.

Encourage conversations and communicate regularly Employee relations have a big impact on encouraging conversations before, during and after the changes are implemented. Start a conversation among your employees in order to find out how they feel about the new initiatives. Understand that true communication is a two-way conversation.

15.2 Consolidation change:

It is a process of combining two or more organizations through purchase, merger, or ownership transfer to form a new organization. It involves the combining of assets, equities, liabilities and operating accounts into one financial statement. Once implemented, change is not always embedded in an organization. The ability to make the change "stick" indicates the long-term success of the change "becomes the new normality "no longer seen as a change initiative "baked into the organization""becomes the way we do things around here "There are a number of actions that can help consolidate change.

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15.3 Skills and Strategies An Organizational Development Specialist Actually Needs In Order To Be Successful In The Workplace.

1. Intrapersonal skills

Despite the growing knowledge base and sophistication of the field, organization development is still a human craft. As the primary instrument of diagnosis and change,

practitioners often must process complex, ambiguous information and make informed judgments about its relevance to organizational issues. Practitioners must have the personal centering to know their own values, feelings, and purposes as well as the integrity to behave responsibly in a helping relationship with others. Because OD is a highly uncertain process requiring constant adjustment and innovation, practitioners must have active learning skills and a reasonable balance between their rational and emotional sides. Finally, OD practice can be highly stressful and can lead to early burnout, so practitioners need to know how to manage their own stress.

2. Interpersonal skills

Practitioners must create and maintain effective relationships with individuals and groups within the organization and help them gain the competence necessary to solve their own problems. Group dynamics, comparative cultural perspectives, and business functions are considered to be the foundation knowledge, and managing the consulting process and facilitation as core skills. All of these interpersonal competencies promote effective helping relationships. Such relationships start with a grasp of the organization's perspective and require listening to members' perceptions and feelings to understand how they see themselves and the organization. This understanding provides a starting point for joint diagnosis and problem solving. Practitioners must establish trust and rapport with organization members so that they can share pertinent information and work effectively together. This requires being able to converse in members' own language and to give and receive feedback about how the relationship is progressing.

3. General consultation skills.

OD starts with diagnosing an organization or department to understand its current functioning and to discover areas for further development. OD practitioners need to know how to carry out an effective diagnosis, at least at a rudimentary level. They should know how to engage organization members in diagnosis, how to help them ask the right questions, and how to collect and analyze information. A manager, for example, should be able to work with subordinates to determine jointly the organization's or department's strengths or problems. The manager should know basic diagnostic questions some methods for gathering information, such as interviews or surveys, and some techniques for analyzing it, such as force-field analysis or statistical means and distributions. In addition to diagnosis, OD practitioners should know how to design and execute an intervention. They need to be able to define an action plan and to gain commitment to the program. They also need to know how to tailor the intervention to the situation, using information about how the change is progressing to guide implementation. For example, managers should be able to develop action steps for an intervention with subordinates. They should be able to gain their commitment to the program (usually through participation), sit down with them and assess how it is progressing, and make modifications if necessary.

6. **Training Programs**

Consulted with business leaders to determine the most imperative business focus areas that can benefit from improved systems/training programs. Developed and implemented evaluation system to assess the quality and effectiveness of learning/training programs and HR services. Designed and implemented metrics to measure training programs impact, effectiveness, appropriateness, and utilization. Conducted management/supervisory training programs for all levels at client companies.

7. **Succession Planning**

Identified new leaders for regional/national training and leadership opportunities and succession planning. Standardized and aligned performance management and succession planning processes. Facilitated Succession Planning meetings with the senior management. Planned and lead the Organizational Review / Succession Planning workshop with site leadership team for talent management planning and structural planning. Designed and implemented a Succession Planning process for field associates linking performance management, leadership competencies and the talent review process.

8. **Power point**

Incorporated different technical applications, particularly PowerPoint in workshops and seminars. Prepared visual aids using Microsoft PowerPoint appropriate to course materials. Demonstrated PowerPoint presentations that were interesting and lively, with step-by-step graphics on technical procedures. Prepared other marketing materials such as PowerPoint Presentations.

10. Workforce

Determined workforce needs and developed succession planning process, created and spearheaded leadership programs, and consulted with labor representatives. Implemented workforce planning and talent management to ensure that the organization remained effective throughout mergers and transition of management staff. Researched and aided in designing departmental roles based on current and future organizational workforce needs. Specialized in increasing workforce engagement and developing culture-shaping strategy to drive growth.

11. **Support and nurture others**.

This ability is particularly important in times of conflict and stress; it is also critical just before and during a manager's first experience with team building

Future of OD as a function and about the drivers that shape it.

1. Organization development must offer a compelling vision for the organization of the future OD should not only be up-to-date with new models, but should also have a strategic view of what those models imply for a particular context. Not every industry and value creation model will fit or will be ready to experiment with a self-management model, for example. To that end, OD must engage senior leaders at eye level and be prepared and capable of infusing the OD agenda and insights into the organization's strategic discussion 2. Organization development must evolve its toolkit to design and develop organizations for new forms of hierarchy, leadership, and decision-making

2. With new forms of organizing and models based on decentralization of authority advancing, OD leaders must reassess their toolboxes. Will the theories, frameworks, interventions, and workshop formats of the past have the same relevance? What aspects of them must be further developed? One example: how do we define and develop leadership when there is no (single) boss and no fixed allocation of authority over a team's activities? This is not to say that all of OD's know-how is obsolete – far from it! But most OD teams will have to put in the effort to be on top of a whole new range of issues.

3. Organization development teams have to rethink the way they deliver their services Working in the context of organizations transforming in a fundamental way, OD will have to reassess their delivery models. It will no longer be enough to cascade an OD

strategy signed off by senior management along the chain of command, or to use dedicated interventions and trainings alone. The future of OD will require working in a much more integrated fashion, often alongside business functions. Instead of trainings in which the OD agenda can be promoted in a protected space, OD will have to find ways to integrate their value delivery into the business agenda, working with leaders and teams as part of the action. Relating content will increasingly have to happen through blended formats, leveraging both technology and a direct involvement with the teams being supported. And OD will have a new role, empowering and enabling business and functional leaders across the organization to make contributions to the organization's development. As such, OD will have to command "meta tools" that allow it to enable others.

15.4 Issues Related to the Consultant-Client Relationship

We need to consider certain situation while taking the service of the external consultant which requires proper attention. These situations lead to problem or conflicts which require to be resolved, thus issues in consultant-client relationships are the focal areas that need consideration. These areas should be managed properly to avoid adverse effects.

Inter-related issues in this relationship are: –

(1) Entry and contracting
(2) Defining the client system
(3) Mutual trust
(4) Defining the consultant role
(5) Diagnosis and appropriate intervention
(6) Determining the depth of intervention
(7) On being absorbed by the culture
(8) Consultant as a model
(9) Consultant team as a microcosm
(10) Action research
(11) Client's dependency and terminating the relationship
(12) Ethics
(13) Implications of OD for the client

1. Entry And Contracting

The organization could be experiencing particular problems, such as poor product quality, high rates of absenteeism, or dysfunctional conflicts among departments. Conversely, the problems might appear more diffuse and consist simply of feelings that the organization should be "more innovative," "more competitive," or "more effective"Entering and contracting are the initial steps in the OD process. They involve defining in a preliminary manner the organization's problems or opportunities for development and establishing a collaborative relationship between the OD practitioner and members of the client system about how to work on those issues. Entering and contracting set the initial parameters for carrying out the subsequent phases of OD: diagnosing the organization, planning and implementing changes, and evaluating and institutionalizing them. They help to define what issues will be addressed by those activities, who will carry them out, and how they will be accomplished.

Entering and contracting can vary in complexity and formality depending on the situation. In those cases where the manager of a work group or department serves as his or her own OD practitioner, entering and contracting typically involve the manager and group members meeting to discuss what issues to work on and how they will jointly meet the goals they set.

Here, entering and contracting are relatively simple and informal. They involve all relevant members directly in the process-with a mini-mum of formal procedures.

In situations where managers and administrators are considering the use of professional OD practitioners, either from inside or from outside the organization, entering and contracting tend to be more complex and formal.

2. Client System

The question of who the client quickly becomes an important issue in consultant-client relationships. A viable model is one in which, in the initial contact, a single manager is a client, but as trust and confidence develop between the key client and the consultant, both begin to view the manager and his/her subordinate team as the client, and then the manager's total organization as the client.

3. Trust Issue In Consultant Client Relationship

Trust Issue in Consultant Client Relationship A good deal of interaction between consultant and client is implicitly related to developing a relationship of mutual trust Client's Trust on the consultant.

Key clients may be fearful that-

- Things will get out of hands with an outsider intervening in the system
- Organization will be overwhelmed with petty complaints
- People will be encouraged to criticize their superiors

Consultant's trust of the client start with

- Understanding of clients motive
- Trust and resistance problem also centers on good-guy bad- guy syndrome
- Confidentiality must be maintained

4. Consultants Role

Consultants are those people or group of the people who are specialized in their concerned area (i.e., organization development, in this case). They may be internal or external to the organization (external in most cases) offering professional services to the client system. They are called consultants or OD practitioner because they apply their special competence within the process, typically by engaging client-system to design and implement change program. They establish a collaborative relationship of equality with the key client and organization members as they together identify organizational problems and opportunities, based on which action is taken.

They play the role of facilitator and change agent. Few definitions of consultants are mentioned below, which were given by different scholars:

Consultants are "those who provide general management advice within strategic, organizational, or operational context, and who are institutionally organized in firms" (Canback, 1998).

A consultant is an advisory contracted for and provided to organizations to help in an objective and independent manner, the client organization to identify management problems, analyse such problems, and help, when requested, in the implementation of solutions (Greiner and Metzger, 1983).

5. Organizational Diagnosis

Organizational diagnosis is a creative method for getting to know an organization at all levelsfrom the surface levels to the deepest hidden parts that aren't visible to the eye. Performing organizational diagnosis is not so far off from a doctor trying to diagnose their patients. Some doctors diagnose differently by focusing on nutrition, food, and natural remedies, whereas others diagnose by using chemical medications, or even by trying a remedy, seeing whether it has positive effects, and then trying something new. This is very similar to what we have learned to do in the business sense to organizations. Different diagnostic models can be used in different situations depending on the wants, needs, and goals of our clients (patients).

6. Determining The Depth Of Intervention

Roger Harrison suggested two criteria for determining the depth of intervention and those are: – First, intervention should be at the level not deeper than that is required to produce a solution to current problems.

Second, intervention should be at a level not deeper than that at which resources and energy of the client can be committed to problem-solving or to change.

Thus, as per these criteria consultant should proceed no deeper than the legitimation provided by the client – system culture and its resources and he/she should stay at the level of consciously felt needs so by keeping in mind the consultant capabilities, limitations, client – system's resources, constraints and the immediate necessity, the depth of intervention should be determined.

7. Consultant Model

Consultant Model Consultant acts as a role model for the client. The consultant should practice what he/she preaches. The consultant may advocate open system but suppresses his or her own feelings about what is happening in the client system. The consultant should give out clear messages.

8. Microcosm

A community, place, or situation regarded as encapsulating (representing special feature) in miniature the characteristics of something much larger. An example of a microcosm is a small sect of the population which is surveyed in order to get an idea of the opinions of the general population.

Microcosm group intervention derives from an inter-group theory which was developed by Alderfer (who has applied it to communications and race-related problems).

Microcosm group consists of a small number of individuals who reflect the issues being addressed and resolved. Microcosm group can consist consultant (or group of consultants) and client-system.

Microcosm group work through "parallel group", (A parallel design, also called a parallel group study, compares two or more treatments. Participants are randomly assigned to either group, treatments are administered, and then the results are compared due to which unconscious changes takes place in individuals when two or more groups interact. This group assisted by OD consultant can create program and process targeted at a specific issue, such as

(i) Addressing diversity issues
(ii) Carrying out the organizational diagnosis
(iii) Solve communication problem (e.g., improving the way meeting is conducted)
(iv) Integrate two cultures
(v) Smooth transition to the new structure
(vi) Address dysfunctional political processes

Application stages of microcosm groups: –The process of using a microcosm group to address organization-wide issues involves the following 5 steps: –

(a) Identifying an issue: – This step involves finding a system-wide issue to address. This can be found out from organizational diagnosis or by idea generated by the workforce in an organization.

(b) Convene the group: – Once an issue is identified, the microcosm group can be formed. The most important convening principle is that group membership needs to reflect the appropriate mix of stakeholders related to the issue. This draws attention to the issue and gives group status.

(c) Provide group training: – Once the group is formed, training is provided for the problem – solving and decision – making. Team – building intervention may be applicable here.

(d) Address the issue: – This step involves solving the problem and implementing a solution. Consultants may help the group diagnose, design, implement and evaluate changes. A key issue is gaining commitment in the wider organization to implement the group's solutions.

Several factors can facilitate such ownership, and those are: –
A communication plan should link group activities to the organization.
Group members need to be visible and accessible to management and labour. (This can ensure that the appropriate support and resources are developed for the recommendations)
Problem – solving processes should include an appropriate level of participation by organization members. (Different data collection methods can be used to gain member input and to produce ownership of the problem and solutions)

(e) Dissolve the group: – After successful implementation of change, microcosm group can be disbanded. This typically involves writing a final report or holding a final meeting.

Action Research Model
The Action Research Model (ARM) was introduced by Kurt Lewin in the late 1930's. It is the standard process used in organization change. Through Action Research, the OD Practitioner begins to understand the system in which s/he is involved, and the client group begins to take responsibility for the system in which they live.

The OD Professional and the client work together to realize the goals of the change process. The ARM process encourages collaboration and cooperation among leaders and employees to improve their relationship and communication.

According to Lewin, change is best achieved when the researcher (OD Professional) and the client (Senior Leaders) cooperate together to identify needs and implement solutions.

Dependency Issue And Terminating The Relationship:
The termination of relationship is directly proportional to the dependency relationship between client and consultant The more dependent the client is on the consultant, the more difficult it is to terminate the relationship If the consultant is in the business of assisting client to internalize skills and insights – then it is making client less dependent on it and in such case terminating the relationship is not an issue Thus the consultant's role as a facilitator creates less dependency and more client growth.

Consultant's role as a part educator - this involves consultant's intervention on an on-going basis. It requires open communication with client about objective of interventions and about sequence of planned event.

Relationship between client and consultant depends on : Consultant competence : the longer the consultant are able to provide innovative and productive intervention, the more longer the relationship will be Clients' resourcefulness and capabilities in OD Organizational factors like: Internal power struggle, Crisis, Top management support.

Ethics
Serving the long-term well- being of our client system and stakeholders. Conducting ourselves honestly, responsibly, and with appropriate openness. Establishing mutual agreement on a fair contract.

15.5 Summary
Finally, the relationship between planned change and organizational performance and effectiveness is not well understood. OD traditionally has had problems assessing whether interventions are producing observed results. The complexity of the change situation, the lack of sophisticated analyses, and the long time periods for producing results have contributed to weak evaluation of OD efforts. Moreover, managers have often accounted for OD efforts with post hoc testimonials, reports of possible future benefits, and calls to support OD as the right thing to do. In the absence of rigorous assessment and measurement, it is difficult to make resource allocation decisions about change programs and to know which interventions are most effective in certain situations

15.6 Key words
Interpersonal skills- Practitioners must create and maintain effective relationships with individuals and groups within the organization and help them gain the competence necessary to solve their own problems.

General consultation skills- OD starts with diagnosing an organization or department to understand its current functioning and to discover areas for further development. OD practitioners need to know how to carry out an effective diagnosis, at least at a rudimentary level.

Succession Planning- Identified new leaders for regional/national training and leadership opportunities and succession planning. Standardized and aligned performance management and succession planning processes.

Consultants Role- Consultants are those people or group of the people who are specialized in their concerned area (i.e., organization development, in this case). They may be internal or

external to the organization (external in most cases) offering professional services to the client system

15.7 Self-Assessment Questions

1. Briefly Discuss about the skills of Organizational Development Specialist
2. Explain the Strategies an Organizational Development Specialist
3. Analyse Issues Related to the Consultant-Client Relationship

15.8 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
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5.Organization Development and change with Mind Taplle, Thomas, Cummings/Christopher.G.Worky, Cenage Learning India, Private Limited. 2023.

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LESSON -16
PROFESSIONAL ETHICS IN OD

Learning objectives

- ✓ To Discuss the Principles of Organization structure
- ✓ To study the Strategic OD interventions
- ✓ To identify the Characteristics of High Performing Teams' Members
- ✓ To Practices to Facilitate Development of Teams in Organizations

Structure

16.1 Introduction
16.2 Ethics in OD
16.3 Basic OD Assumptions that are based upon French and Bell
16.4 Organization Development Values
16.5 Principles of Organization Structure
16.6 Strategic OD Interventions
16.7 Technology and OD Solutions
16.8 Characteristics of High Performing Teams' Members
16.9 Practices to Facilitate Development of Teams in Organizations
16.10 Summary
16.11 key words
16.12 Self Assessment Questions
16.13 Suggested Readings

16.1 Introduction

Values: Standards of importance; such as Integrity, honesty, effectiveness, efficiency, productivity, profitability, service, quality of life. Values are guides about what to pursue and prefer.

Ethics: Standards of good and bad behavior based on values.
A set of values, assumptions and beliefs constitutes an integral part of organization development, shaping the goals and methods of the field and distinguishing Organizational Development from other improvement strategies.

Organization Development: Value-based process of improving individuals, relationships, and alignment among organizational components to enhance the effectiveness of the organization and the quality of life of its members, to better serve the organization's purpose and its fit with the organization system of which the organization is a subsystem

16.2 Ethics in OD

1. Participation, involvement and empowerment

This may be the most fundamental value we hold as OD practitioners. We know that "people support what they help create." Therefore, we encourage our clients to see the benefit of involving all organizational members in decision-making and change processes as appropriate.

2. The importance of groups and teams

Organizations are made up of a variety of formal and informal groups and teams. Therefore, we encourage clients to recognize the norms and beliefs that come along with these structures in order to help those groups and teams contribute most effectively to the organization.

3. Growth, development and learning

As OD practitioners, we have an optimistic view of people and teams. Therefore, we believe thatour work with organizations should help people to learn the skills needed to help them navigate change in the future.

4. Valuing the whole person: In order to help individuals maximize their potential in an organization, we respect that people are complex. Therefore, we work hard to understand individuals have diverse needs, skills, and feelings and respect those differences in our work with them.

5. Dialogue and collaboration: Conflict is inevitable in teams and organizations. Therefore, we believe in using dialogue to address conflict in a healthy, open manner in order to move past the dysfunction that suppressed conflict can create.

6. Authenticity, openness and trust: In order to create trusting environments, organizational leaders and members must consistently demonstrate honesty and transparency in their words and actions. As OD practitioners, we must model this at all times.

16.3 Basic OD Assumptions that are based upon French and Bell

1. Most individuals have drives towards personal growth and development. However, the workhabits are a response to work environment rather than personality traits. Accordingly, efforts to change work habits should be directed towards changing how the person is treated rather thantowards attempting to change the person.
2. Highest productivity can be achieved when the individual goals are integrated with organizational goals. Also with such integration, the quality of the product is highly improved.
3. Cooperation is more effective than competition. Conflict and competition tend to erode trust, prohibit collaboration and eventually limit the effectiveness of the organization. In healthyorganizations, “efforts are made at all levels to treat conflict as a problem subject to problem solving methods.
4. The suppression of feelings adversely affects problem solving, personal growth and satisfaction with one’s work. Accordingly, free expression of feelings is an important ingredient for commitment to work.
5. The growth of individual members is facilitated by relationships, which are open, supportive and trusting. Accordingly, the level of interpersonal trust, support and cooperation should be as high as possible.
6. The difference between commitment and agreement must be fully understood. Agreeing to do something is totally different from being committed to do something. Sense of commitment makes it easy to accept change and the implementation of change for the purpose of organizational development is even easier when such a commitment is based upon participation in the process.
7. OD programmes, if they are to succeed, must be reinforced by the organization’s total human resources system.

16.4 Organization Development Values

Organization development constitutes various people, professionals, technocrats, researchers, managers and a host of other employees working in the organization contributing to the accomplishment of organizational objectives. They behave differently. Authority and power, conflicts, control takes backseat during OD process.

The Following Are The Values in OD Efforts:

1. Respect People: People are the main and useful part of the organization and they are responsible for creating opportunities for growth. They must, therefore, be treated with respect and dignified manners organizations, "efforts are made at all levels to treat conflict as a problem subject to problem solving methods.

2. The suppression of feelings adversely affects problem solving, personal growth and satisfaction with one's work. Accordingly, free expression of feelings is an important ingredient for commitment to work.

3. The growth of individual members is facilitated by relationships, which are open, supportive and trusting. Accordingly, the level of interpersonal trust, support and cooperation should be as high as possible.

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5. OD programmes, if they are to succeed, must be reinforced by the organization's total human resources system.

Organization Development Interventions

OD interventions could be carried out at individual, interpersonal, group, inter-group and organizational levels. Examples of interventions on the individual level are: coaching and counseling, management consultation, training and development, role playing, transactional analysis, life and career planning activities. On the person-to-person, dyad/triad level the interventions include shuttle diplomacy, mediation and process consultation. At the group level OD interventions involve team-building, leadership training, communication training and other educative efforts, survey feedback, problem solving consultation. At the inter-group level, organizations use interventions such as shuttle diplomacy and mediation and team-building. At the organizational level the interventions might include combinations of the above, as well as strategic planning, problem analysis, interviews and questionnaires, confrontation meetings and making recommendations for structural or procedural changes

Structural Intervention

Structural interventions are those that are aimed at changes in task, structural and technological subsystems of organizations. Job designs, quality circles, Management by objectives bolstered by knowledge of OD experiments are included under the category of structural interventions. Elements of OD may include finding ways to adapt to the changing context while maintaining and enhancing the organization's integrity and internal integration. OD involves establishing structures, processes and a climate that allow it to effectively manage its important and pressing business (e.g. projects, problems, crises, etc.) while giving adequate attention to strategic issues (e.g., long term development and renewal, planning and envisioning, engaging new opportunities, crisis prevention, etc.)

Structure is an integral component of the organization. Nystrom and Starbuck (1981) have defined structure as the arrangement and interrelationship of component parts and positions in an organization. Structural OD intervention provides guidelines on:

- ✓ Division of work into activities;
- ✓ Linkage between different functions;
- ✓ Hierarchy;
- ✓ Authority structure;
- ✓ Authority relationships; and
- ✓ Coordination with the environment.

Organizational structure may differ within the same organization according to the particular requirements. Structure in an organization has three components (Robbins, 1989).

Complexity, referring to the degree to which activities within the organization are differentiated. This differentiation has three dimensions:

Horizontal differentiation refers to the degree of differentiation between units based on the orientation of members, the nature of tasks they perform and their education and training,
Vertical differentiation is characterized by the number of hierarchical levels in the organization, and Spatial differentiation is the degree to which the location of the organization's offices, facilities and personnel are geographically distributed;

Formalization refers to the extent to which jobs within the organization are specialized.
The degree of formalization can vary widely between and within organizations;
Centralization refers to the degree to which decision making is concentrated at one point in the organization.
Designing Organizational Structures
Some important considerations in designing an effective organizational structure are:
Clarity The structure of the organization should be such that there is no confusion about people's goals, tasks, style of functioning, reporting relationship and sources of information.

Understanding The structure of an organization should provide people with a clear picture of how their work fits into the organization. De-centralization The design of an organization should compel discussions and decisions at the lowest possible level.

Stability and adaptability While the organizational structure should be adaptable to environmental changes, it should remain steady during unfavorable conditions.

16.5 Principles of Organization Structure

Modern organizational structures have evolved from several organizational theories, which have identified certain principles as basic to any organization.

a. Specialization

Specialization facilitates division of work into units for efficient performance. According to the classical approach, work can be performed much better if it is divided into components and people are encouraged to specialize by components. Work can be specialized both horizontally and vertically (Anderson, 1988). Vertical specialization in a research organization refers to different kinds of work at different levels, such as project leader, scientist, researcher, field staff, etc. Horizontally, work is divided into departments like genetics, plant pathology, administration, accounts, etc.
Specialization enables application of specialized knowledge which betters the quality of work and improves organizational efficiency. At the same time, it can also influence fundamental work attitudes, relationships and communication. This may make coordination difficult and

obstruct the functioning of the organization. There are four main causal factors which could unfavorably affect attitudes and work styles. These are differences in:
Goal orientation;
Time orientation;
Inter-personal orientation; and
The formality of structure (Lawrence and Lorsch, 1967).

b. Coordination

Coordination refers to integrating the objectives and activities of specialized departments to realize broad strategic objectives of the organization. It includes two basic decisions pertaining to:
(i) Which units or groups should be placed together; and
(ii) The patterns of relationships, information networks and communication (Anderson, 1988).

In agricultural research institutions, where most of the research is multi disciplinarybut involves specialization, coordination of different activities is important to achieve strategic objectives. Efficient coordination can also help in resolving conflicts and disputes between scientists in a research organization.
Hierarchy facilitates vertical coordination of various departments and their activities. Organizational theorists have over the years developed several principles relating to the hierarchy of authority for coordinating various activities. Some of the important principles are discussed below.

c. Unity of Command

Every person in an organization should be responsible to one superior and receive orders from that person only. Fayol (1949) considered this to be the most important principle for efficient working and increased productivity in an organization.

d. The Scalar Principle

Decision making authority and the chain of command in an organization should flow in a straight line from the highest level to the lowest. The principle evolves from the principle of unity of command. However, this may not always be possible, particularly in large organizations or in research institutions. Therefore Fayol (1949) felt that members in such organizations could also communicate directly at the same level of hierarchy, with prior intimation to their superiors.

e. The Responsibility and Authority Principle

For successfully performing certain tasks, responsibility must be accompanied by proper authority. Those responsible for performance of tasks should also have the appropriate level of influence on decision making.

f. Span of Control

This refers to the number of specialized activities or individuals supervised by one person. Deciding the span of control is important for coordinating different types of activities effectively. According to Barkdull (1963), some of the important situational factors which affect the span of control of a manager are:

Similarity of functions;
Proximity of the functions to each other and to the supervisor;
Complexity of functions;
Direction and control needed by subordinates;

Coordination required within a unit and between units;
Extent of planning required; and
Organizational help available for making decisions.

Departmentalization

Departmentalization is a process of horizontal clustering of different types of functions and activities on any one level of the hierarchy. It is closely related to the classical bureaucratic principle of specialization (Luthans, 1986). Departmentalization is conventionally based on purpose, product, process, function, personal things and place (Gullick and Urwick, 1937).

Functional Departmentalization is the basic form of departmentalization. It refers to the grouping of activities or jobs involving common functions. In a research organization the groupings could be research, production, agricultural engineering, extension, rural marketing and administration.

Product Departmentalization refers to the grouping of jobs and activities that areassociated with a specific product. As organizations increase in size and diversify, functional departmentalization may not be very effective.

The organization has to be further divided into separate units to limit the span of control of a manager to a manageable level (Luthans, 1986). In an agricultural research institution, functional departments can be further differentiated by products and purpose or type of research.

In contrast to functional departmentalization, product-based departmentalization has the advantage of:
Less conflict between major sub-units;
Easier communication between sub-units;
Less complex coordination mechanisms;
Providing a training ground for top management;
More customer orientation; and
Greater concern for long-term issues.

In contrast, functional departmentalization has the strength of:
Easier communication with sub-units;
Application of higher technical knowledge for solving problems;
Greater group and professional identification;
Less duplication of staff activities;
Higher product quality; and
Increased organizational efficiency (Filley, 1978).

Departmentalization by Users is grouping of both activities and positions to make them compatible with the special needs of some specific groups of users. Departmentalization by Territory or Geography involves grouping of activities and positions at a given location to take advantage of local participation in decision making.

The territorial units are under the control of a manager who is responsible for operations of the organization at that location. In agricultural research institutions, regional

research stations are set up to take advantage of specific agro-ecological environments. Such departmentalization usually offers economic advantage.

Departmentalization by Process or Equipment refers to jobs and activities which require a specific type of technology, machine or production process. Other common bases for departmentalization can be time of duty, number of employees, market, distribution channel or services.

De-Centralization and Centralization

De-centralization refers to decision making at lower levels in the hierarchy of authority. In contrast, decision making in a centralized type of organizational structure is at higher levels. The degree of centralization and de-centralization depends on the number of levels of hierarchy, degree of coordination, specialization and span of control. According to Luthens (1986), centralization and de-centralization could be according to:

Geographical or territorial concentration or dispersion of operations;
Functions; or
Extent of concentration or delegation of decision making powers.

Every organizational structure contains both centralization and de-centralization, but to varying degrees. The extent of this can be determined by identifying how much of the decision making is concentrated at the top and how much is delegated to lower levels.
Modern organizational structures show a strong tendency towards de-centralization.

16.6 Strategic OD Interventions

Strategic Planning - A dynamic process which defines the organization's mission and vision, sets goals and develops action steps to help an organization focus its present and future resources toward fulfilling its vision. Many organizations today were facing external threats to their survival, whether it be from takeovers, technological obsolescence or global competition. In its infancy, OD would have responded to such challenges by preaching participative management, a not so subtle way of challenging top management to redistribute power to lower levels. During the later years, OD reversed fields to serve the power structure through confining its techniques to lower levels and the bottom line, such as Quality of Work Life (QWL) programs. This subservient role for OD had continued up to recent times where the power structure tolerates and even encourages OD so long as it fine-tunes the existing situation without threatening the essence of the power system. Now, however, that essence is threatened by outside forces. A "new" OD is emerging to deal more directly with helping the power structure to change not only itself but also the strategic alignment of the firm with its environment. OD can, if properly devised, provide a more effective process than political bargaining for assisting the dominant coalition to address pressing strategic issues that have so far eluded formal approaches to strategic planning.

OD must engage the most cherished agenda of the power elite- the strategy of the company, its top management structure for delivering on strategy, and the manner in which they will lead.

Technology and OD Solutions

Elements of OD may include finding ways to adapt to the changing context while maintaining and enhancing the organization's integrity and internal integration. OD involves establishing structures, processes and a climate that allow it to effectively manage its important and pressing business (e.g. projects, problems, crises, etc.) while giving adequate

attention to strategic issues (e.g., long term development and renewal, planning and envisioning, engaging new opportunities, crisis prevention, etc.). Technologies are also used to enable OD interventions and improve human connectivity and better team work.

Sensitivity Training

Sensitivity training is a method of laboratory training where an unstructured group of individuals exchange thoughts and feelings on a face-to-face basis. Sensitivity trainingthe decision makingis concentrated at the top and how much is delegated to lower levels. Modern organizational structures show a strong tendency towards de-centralization.

Strategic OD Interventions

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Survey-Feedback

survey feedback technology is probably the most powerful way that OD professionals involve very large numbers of people in diagnosing situations that need attention within the organization and to plan and implement improvements. The general method requires developing reliable, valid questionnaires, collecting data from all personnel, analyzing it for trends and feeding the results back to everyone for action planning. "Walk-the-talk" assessment: Most organizations have at least some leaders who "say one thing and do another." This intervention, which can be highly threatening, concentrates on measuring the extent to which the people within the organization are behaving with integrity.

Survey Feedback in OD

The most important step in the diagnostic process is feeding back diagnostic information to theclient organization. Although the data may have been collected with the client's help, the OD practitioner usually is responsible for organizing and presenting them to the client. A flexible and potentially powerful technique for data feedback that has arisen out of the wide use of questionnaires in OD work is known as survey feedback. Survey feedback is a process of collecting and feeding back data from an organization or department through the use of a questionnaire or survey. The data are analyzed, fed back to organization members, and used by them to diagnose the organization and to develop intervention to improve it.

Survey feedback is a major technique in the history and development of OD. It is a powerful intervention tool and it can reach large numbers of participants. There are five general steps included in a normal survey feedback. The first involves gathering members of the firm in order to plan the survey. This is when the objectives of the survey is determined. The second step involves administering the survey to all of the organization's members, rather than restricting it to managers and coordinators. Next step would be to analyze the data reported through the surveys. In the fourth step the data is fed back to the organization.

Finally, the firms should hold meetings to discuss the feedback and try to determine what, if any, action is needed and how to implement it. OD practitioners could be more involved in some otf hese steps by training someone to go to the firms and help them interpret the feedback and devise intervention plans.

Limitations

There are limitations to survey feedback that OD practitioners should be aware of.
These include:

1. Ambiguity of purpose - there can be disagreement over how the data should be analyzed and returned.
2. Distrust - OD practitioners need to ensure participants that their contributions are confidential.
3. Unacceptable topics - some firms have topics they do not want to explore, which constricts the scope of the survey.
4. Organizational disturbance - this process may disturb the employees, and possibly the whole firm

Process Consultation

The concept of process consultation as a mode of inquiry grew out of insight that to be helpful one had to learn enough about the system to understand where it needed help and that this required a period of very low key inquiry oriented diagnostic interventions designed to have a minimal impact on the processes being inquired about (Schein, 1988).

Process consultation as a philosophy acknowledges that the consultant is not an expert on anything but how to be helpful and starts with total ignorance of what is actually going on in the client system. One of the skills, then, of process consulting is to "access one's ignorance," to let go of the expert or doctor role and get attuned to the client system as much as possible.

Only when one has genuinely understood the problem and what kind of help is needed, can one begin to recommend and prescribe. Even then it is likely that they will not fit

theclient system's culture and will therefore, not be refrozen even if initially adopted. Instead, a better model of help is to start out with the intention of creating in insider/outsider team that is responsible for diagnostic interventions and all subsequent interventions. When the consultant and the client have joint ownership of the change process, both the validity of the diagnostic interventions and the subsequent change interventions will be greatly enhanced. The flow of a change or managed learning process then is one of continuous diagnosis as one is continuously intervening.

The consultants must be highly attuned to their own insights into what is going on and his or her own impact on the client system. Stage models which emphasize up front contracting do not deal adequately with the reality that the psychological contract is a constantly evolving one and that the degree to which it needs to be formalized depends very much on the culture of the organization. Lewin's concept of action research is absolutely fundamental to any model of working with human systems and such action research must be viewed from a clinical perspective as a set of interventions that must be guided primarily by their presumed impact on the client system.

The immediate implication of this is that in training consultants and change agents one should put much more emphasis on the clinical criteria of how different interventions will affect client systems than on the canons of how to gather scientifically valid information. Graduate members should be sent into field internships as participant observers and helpers before they are taught all the canons of how to gather and analyze data. Both are necessary, but the order of priority is backward in most training programs. Edgar Schein's Process Consultation "One cannot understand a System until one tries to change It. Literature is filled with the notion that one first diagnoses a system and then intervenes to change it.

This basic model perpetuates a fundamental error in thinking, an error that Lewin learned to avoid in his own change projects and that led him to the seminal concept of "action research." The conceptual error is to separate the notion of diagnosis from the notion of intervention. That distinction comes from scientific endeavors where a greater separation exists between the researcher and the researched, particularly where the physical processes are assumed to be somewhat independent of the psychological processes. The consulting industry has perpetuated this model by proposing as a major part of most projects a diagnostic phase in which large numbers of interviews, questionnaires and observations are made the basis of a set of recommendations given to the client. Consultants differ on whether they feel they should also be accountable for the implementation of the recommendations, but they tend to agree that the consultant's basic job is done with a set of recommendations "for future intervention." If interviews or surveys are done, the attempt is made to be as scientifically objective as possible in gathering the data and to interfere minimally duringthis phase with the operation of the organization. If one cannot understand an organization without trying to change it, it would not be possible to make an adequate diagnosis without intervening. Either consultants using the classical model are getting an incorrect picture of the organization, or they are intervening but are denying it by labeling it "just diagnosis." This risk forces the diagnostician to think about the nature of the "diagnostic intervention" and to apply clinical criteria for what is safe, rather than purely scientific criteria of what would seemingly give the most definitive answer. OD specialists must approach consulting work from a clinical perspective that starts with the assumption that everything to do with a client system is an intervention and that, unless intervened, will not learn what some of the essential dynamics of the system really are. Starting from that assumption, there is a need to develop criteria that balance the amount of information gained from an intervention with the amount

of risk to the client from making that intervention. If the consultant is going to interview all the members of top management, he must ask whether the amount of information gained will be worth the risk of perturbing the system by interviewing everybody and if the answer is "yes," must make a further determination of what is to be learned from the reactions of the management to being interviewed. That is, the interview process itself will change the system and the nature of that change will provide some of the most important data about how the system works, i.e. will respondents be paranoid and mistrusting, open and helpful, supportive of each other or hostile in their comments about each other, cooperative or aloof and so on. The best information about the dynamics of the organization will be how the organization deals with the consultant, because his or her very presence is de facto an intervention. Yet the focus in many traditional consultation models is on the "objective data obtained in the interview" with nary a reference to how the interviewer felt about the process and what could be inferred from the way he or she was received. 'Human systems cannot be treated with high level of objectivity' is, therefore, an important insight that is all too often ignored in our change and consultation literature. In practice change agents have learned from their own experience that "diagnostic" activities such as observations, interviews and questionnaires are powerful interventions and that the process of learning about a system and changing that system are, in fact, one and the same. This insight has many ramifications, particularly for the ethics of research and consulting. Many researchers and consultants assume that they can "objectively" gather data and arrive at a diagnosis without having already changed the system. In fact, the method of gathering data influences the system and therefore, must be considered carefully. For example, asking someone in a questionnaire how they feel about their boss gets the respondent thinking this phase with the operation of the organization. If one cannot understand an organization without trying to change it, it would not be possible to make an adequate diagnosis without intervening. Either consultants using the classical model are getting an incorrect picture of the organization, or they are intervening but are denying it by labeling it "just diagnosis."

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literature. In practice change agents have learned from their own experience that "diagnostic" activities such as observations, interviews and questionnaires are powerful interventions and that the process of learning about a system and changing that system are, in fact, one and the same. This insight has many ramifications, particularly for the ethics of research and consulting. Many researchers and consultants assume that they can "objectively" gather data and arrive at a diagnosis without having already changed the system. In fact, the method of gathering data influences the system and therefore, must be considered carefully. For example, asking someone in a questionnaire how they feel about their boss gets the respondent thinking Balanced Teams Teams work best when there is a balance of primary roles and when team members know their roles, work to their strengths and actively manage weaknesses. To achieve the best balance, there should be:
One Coordinator or Shaper (not both) for leader
A Plant to stimulate ideas
A Monitor/evaluator to maintain honesty and clarity

One or more Implementer, Team worker, Resource investigator or Completer/ finisher to make things happen Identify types when starting up teams and ensure have a good balance or handle the imbalances Communication in Teams Communication, the most basic of management essentials, is needed to ensure timely feedback and immediate updates in teams. In teams, clarity, frequency and responsiveness are the keys of communication. Most of the communication is nonverbal and the verbal forms used need to be clear and delivered often. Regular meetings in a place or via conference call or other technology are essential for teams. Team coordinators should keep the agenda posted electronically in an area the whole team can access and encourage them to add to it. They should make answering team members' emails and phone calls a priority. Although team members hardly need to be affectionate to each other to work well together, some level of personal interaction is crucial for team bonding.

Supporting tools that can be obtained inexpensively or free like telephone and email, instant messaging systems, collaboration software, group bulletin boards or discussion areas and chat rooms are all useful for working and meeting together. Varying methods of communicating and learning which methods work best for which team members are vital steps. One of the most often neglected pieces to building a team is providing a safe place for interaction and discussion without the manager. Teams need a staff room. Members often develop ideas they might not feel comfortable expressing in public. Teams need them and if they ignore this need, they eliminate a chance for a more free change of ideas. Accomplishments must be acknowledged and celebrated, as a group when possible and appropriate. Organizations adopt several ways to achieve this, such as creating a periodic newsletter and email with a section in it for accolades, institution of a peer-to-peer award system, sending greeting cards or gift certificates from websites dedicated to these purposes. The principles of managing teams well are similar to the principles of managing anybody or anything well.

16.8 Characteristics of High Performing Teams' Members

- ✓ Share a common purpose / goals
- ✓ Build relationships for trust and respect
- ✓ Balance task and process
- ✓ Plan thoroughly before acting.
- ✓ Involve members in clear problem-solving and decision making procedures
- ✓ Respect and understand each others' "diversity"

- ✓ Value synergism and interdependence
- ✓ Emphasize and support team goals
- ✓ Reward individual performance that supports the team.
- ✓ Communicate effectively
- ✓ Practice effective dialogue instead of debate Identify and resolve group conflicts
- ✓ Vary levels and intensity of work
- ✓ Provide a balance between work and home.
- ✓ Critique the way they work as a team, regularly and consistently
- ✓ Practice continuous improvement
- ✓ Creating team environment

16.9 Practices to Facilitate Development of Teams in Organizations

Organization Development facilitators should enable firms to hire team players by putting all job candidates through demanding office-wide scrutiny. Performance Incentives should be designed in such a manner that they are group-based and performance appraisals should include team working as a criterion. Intra-team conflicts should be resolved in the early stages Unresolved conflicts caused due to employees' mutual bickering can kill office morale and productivity. Organizations are deploying paid ombudsmen to help staffers get along and stifle office conflicts As conflicts often arise in work teams, timely interventions to diffuse tensions and strengthen members' interpersonal commitment should be introduced. A good team relationship requires nurturing from a strong leader. Leaders might cling to the idea of success being based on individuals, but the value of a great group must not be ignored by the leader. Effective interpersonal interaction would take place among team players communicate more effectively.

16.10 Summary

OD process should result in the development of a comprehensive and sustainable in-house leadership training program that would foster teamwork. The training programs should enable employees to learn how to handle different types of personalities. Towards the completion phase of team building intervention, team members should be capable ofavoiding reciprocal rudeness and maintenance of unconditional politeness, escaping the trap of cliques, prevention of polarization of members into opposing factions, perpetrating the value of teams, overcoming the phenomenon of groupthink which occurs out of excessive demand for unanimity and illusion of invulnerability of the group, understanding the power of group synergy and social-facilitation in raising an organization's productivity are quintessential qualities of the members of winning teams

16.11 Key words

Values- Standards of importance; such as Integrity, honesty, effectiveness, efficiency, productivity, profitability, service, quality of life. Values are guides about what to pursue and prefer

Ethics- Standards of good and bad behavior based on values.

Organization Development- Value-based process of improving individuals, relationships, and alignment among organizational components to enhance the effectiveness of the organization and the quality of life of its members, to better serve the organization's purpose and its fit with the organization system of which the organization is a subsystem

OD interventions – It could be carried out at individual, interpersonal, group, inter-group and organizational levels. Examples of interventions on the individual level are: coaching and counseling, management consultation, training and development, role playing, transactional analysis, life and career planning activities

Structural Intervention- Structural interventions are those that are aimed at changes in task, structural and technological subsystems of organizations. Job designs, quality circles, Management by objectives bolstered by knowledge of OD experiments are included under the category of structural interventions

16.12 Self Assessment Questions

1. Discuss the Ethics in OD?
2. Explain the Basic OD Assumptions that are based upon French and Bell
3. Describe the Principles of Organization Structure
4. Examine the Characteristics of organizational Development

16.13 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4. Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
5.Organization Development and change with Mind Taplle, Thomas, Cummings/Christopher.G.Worky, Cenage Learning India, Private Limited. 2023.

Dr. P.Arun Kumar

LESSON-17
ORGANIZATIONAL DEVELOPMENT

Learning objectives
To study the Nature and scope of OD
To understand the features of OD
To learn the Benefits of OD
To Explain the Process of Organizational Development
To describe Skills and Strategies an Organizational Development

Structure
17.1 Introduction
17.2 Definition of Organization Development
17.3 Nature and Scope of OD
17.4 Features of Organizational Development
- 17.4.1. Planned Change
- 17.4.2. Attention on the Whole Organization
- 17.4.3. Long Range Change
- 17.4.4. Systems Orientation
- 17.4.5. Change Agent
- 17.4.5. Change Agent
- 17.4.6. Action research
- 17.4.7. Experiential learning
- 17.4.8. Collaborative Management
- 17.4.9. Group Process
- 17.4.10. Organizational Culture
- 17.4.11. Feedback
- 17.4.12. Situational and Contingency Oriented
- 17.4.13. Team Building

17.5 Benefits of Organizational Development
- 17.5.1. Continuous development
- 17.5.2. Increased horizontal and vertical communication
- 17.5.3. Employee growth
- 17.5.4. Enhancement of products and services
- 17.5.5. Increased profit margins

17.6 Process of Organizational Development (OD)
17.7 Skills and Strategies an Organizational Development
- 17.7.1. Intrapersonal skills
- 17.7.2. Interpersonal skills
- 17.7.3. General consultation skills
- 17.7.4. Organization development theory
- 17.7.5. Project Management
- 17.7.6. Training Programs
- 17.7.7. Succession Planning

17.8 Summary
17.9 Key words
17.10 Self Assessment Questions
17.11 Suggested Readings

17.1 Introduction

Organization development is the study of successful organizational change and performance. OD emerged from human relations studies in the 1930s, during which psychologists realized that organizational structures and processes influence worker behavior and motivation.

Organizational (or organization) Development or simply O.D. is a technique of planned change. It seeks to change beliefs, attitudes, values and structures-in fact the entire culture of the organization—so that the organization may better adapt to technology and live with the pace of change.

"Everybody has accepted by now that change is unavoidable. But that still implies that change is like death and taxes—it should be postponed as long as possible and no change would be vastly preferable. But in a period of upheaval, such as the one we are living in, change is the norm."

—Peter Ducker, Management Challenges for the 21st Century

Organizational Development (OD) comprises of a special set of organizational change methods. It is a planned, systematic process of organizational change based on behavioral science research and theory. The goal of OD is to create adaptive organizations capable of transforming and reinvesting themselves so as to remain effective. OD draws from psychology, sociology and anthropology. It is based on many well established principles regarding the behavior of individuals and groups in the organizations.

What was earlier popularly known as Organization Development (OD) is currently christened as Organizational Change and Development (OCD), though such label is widely used in the academic institutions, primarily to focus on the changes the organizations are expected to embrace and their role as "drivers of change."

The field of OCD emerged as an independent discipline in the late 1950s. Taking "insights from group dynamics and the theory and practice of planned change," it has grown as an applied behavioral science used effectively to solve the critical problems confronting the various facets and dynamics which are both internal and external to organizations today.

In other words, it is the planned change to a company to enable growth (or change) in an effective way Relative to consulting.

At the core of OD is the concept of an organization, defined as two or more people working together toward one or more shared goals. Development in this context is the notion that an organization may become more effective over time at achieving its goals. OD is a long range effort to improve organization's problem solving and renewal processes, particularly through more effective and collaborative management of organizational culture, often with the assistance of a change agent or catalyst and the use of the theory and technology of applied behavioral science.

17.2 Definition of Organization Development

Organization development is a system-wide application of behavioral science knowledge to the planned development and reinforcement of organizational strategies, structures, and processes for improving an organization's effectiveness. (Cummings and Worley, Organization Development and Change, Sixth Edition, South-Western Publishing, 1997, p.2.)

Organization development, according to Richard Beckhard, is defined as:
A planned effort Organization-wide
Managed from the top
To increase organization effectiveness and health
Through planned interventions in the organization's 'processes', using behavioral science knowledge.

According to Warren Bennis, Organization Development (OD) is a complex strategy intended to change the beliefs, attitudes, values, and structure of organizations so that they can better adapt to new technologies, markets, and challenges.

Warner Burke emphasizes that OD is not just "anything done to better an organization"; it is a particular kind of change process designed to bring about a particular kind of end result.

OD is a systematic application of behavioral science knowledge to the planned development and reinforcement of organizational strategies, structures and processes for improving an organization's effectiveness. (Cummings and Worley, 1993)

Analysis of the Definitions

The definitions so analyzed contain the elements which are important for OD. To summarize, here are the primary distinguishing characteristics of organizational developments:
OD focuses on culture and processes.
OD focuses on the human and social side of the organization.
OD realize on the action research model with extensive participation by client system participation.
OD takes a developmental view that aims at the betterment of both individual and the organization i.e., "win-win" solutions.
It encourages the involvement and participation by all the level of organization in the problem solving and decision-making.

17.3 Nature and Scope of OD

1. OD is a Long-term Effort
Which means that organizational change and development take long time in fact it is a never ending journey of continuous change for organization effectiveness.

2. Supported by Top Management
The OD programmers seeks the serious attention and commitment from the top management for achieving it's objectives of improvements.

3. OD is a Learning Process: Which means the process of interaction, listening and self examining which facilitates individual, team and organizational learning.

4. OD is visioning Processes
Which mean the organization members develop a picture of the desired future that includes the humanistic approach to make that picture a reality.

5. OD is an Empowerment Process

Which means those leadership behaviors and human resource practices that enable organization members to develop and use their talents as fully as possible towards organizational growth and success.

6. Contractual Relationship

Although neither the sponsoring organization nor the change agent can be sure at the outset of the exact nature of the problem or problems to be dealt with or how long the change agent's help will be needed, it is essential that some tentative agreement on these matters be reached. The sponsoring organization needs to know generally what the change agent's preliminary plan is, what its own commitments are in relation to personal commitments and responsibility for the program, and what the change agent's fee will be. The change agent must assure himself that the organization's, and particularly the top executives', commitment to change is strong enough to support the kind of self analysis and personal involvement requisite to success of the program. Recognizing the uncertainties lying ahead on both sides, a termination agreement permitting either side to withdraw at any time is usually included.

7. Change Agent

A change agent in the sense used here is not a technical expert skilled in such functional areas as accounting, production, or finance. He is a behavioral scientist who knows how to get people in an organization involved in solving their own problems. His main strength is a comprehensive knowledge of human behavior, supported by a number of intervention techniques. The change agent can be either external or internal to the behavioral sciences and in the intervention technology of OD.

Qualified change agents can be found on some university faculties, or they may be private consultants associated with such organizations as the National Training Laboratories Institute for Applied Behavioral Science Washington, or University Associates (San Diego, California), and similar organizations.

The change agent may be a staff or line member of the organization who is schooled in OD theory and technique. In such a case, the "contractual relationship" is an in-house agreement that should probably be explicit with respect to all of the conditions involved except the fee.

8**. Sponsoring Organization**

The initiative for OD programs comes from an organization that has a problem. This means that top management or someone authorized by top management is aware that a problem exists and has decided to seek help in solving it. There is a direct analogy here to the practice of psychotherapy: The client or patient must actively seek help in finding a solution to his problems. This indicates a willingness on the part of the client organization to accept help and assures the organization that management is actively concerned.

9. Applied Behavioral Science

One of the outstanding characteristics of OD that distinguishes it from most other improvement programs is that it is based on a "helping relationship."The change agent is not a physician to the organization's ills; he does not examine the "patient," make a diagnosis, and write a prescription. Nor does he try to teach organizational members a new inventory of knowledge which they then transfer to the job situation. Using theory and methods drawn from such behavioral sciences as psychology, sociology, communication, cultural

anthropology, organizational behaviour economics, and political science, the change agent's main function is to help the organization define and solve its own problems. The basic method used is known as action research. This approach, which is described in detail later, consists of a preliminary diagnosis, collecting data, feedback of the data to the client, data exploration by the client group, action planning based on the data, and taking action.

10. System Context: OD deals with a total system the organization as a whole, including its relevant environment or with a sub-system or systems departments or workgroups in the context of the total system.

17.4 Features Of Organizational Development

17.4.1. Planned Change

Organizational development (OD) is an educational strategy for bringing about planned change. Planned change concept makes it different from other approaches for change in organizations.

17.4.2. Attention on the Whole Organization

This change covers the entire organization. Organizational Development is the development of the whole organization so that it can respond to change effectively. OD tends to ensure that all parts of the organization are well coordinated in order to solve the problems and opportunities that are brought by change.

17.4.3. Long Range Change

OD is a long term process. It may take months or years to implement it. OD is never intended to be a stopgap arrangement or measure.

17.4.4. Systems Orientation

OD is concerned with the various groups in the organization and their interactions with each other. It is concerned with formal as well as informal or social relationships. It is concerned with group structures, processes and attitudes. OD emphasizes on the relationships among the groups not on the groups themselves.

17.4.5. Change Agent

The services of outside experts are obtained, generally, to implement the OD process. In OD, "Do it yourself" programmes are discouraged. When the primary change agent is a consultant from outside the organization, he can operate independently without ties to the organizational hierarchy and politics of the organization. The personnel director is the internal agent of the organization who coordinates the programme with the management and the external agent. As the external agent also works with the management, there is a three way relationship of the personnel director, management and the outside consultant as they develop the OD programme. Very rarely, an internal change agent is used by the organization, who usually is a specialist on the personnel staff.

17.4.6. Action research

It entails what its name describes – research and action. Action research is the process of systematically collecting research data about an ongoing system relative to some objective, goal or need of that system. Feeling these back into the system, taking actions by altering selected variables within the system based both on the date and on the date and on hypotheses and evaluating the results of actions by collecting more data 7. Problem Solving:OD emphasizes on problem solving rather than just theoretical discussion of the problems. The

focus on real, ongoing problems rather than the theoretical or artificial ones is called actions research. Action research is a very important feature of OD. Sometimes, OD is called organizational improvement through action research.

17.4.7. Experiential learning: or learning through experience

In the traditional approaches, training was provided to the people by lecture and discussion method, in which people talk about only abstract ideas. But in OD, particularly learn by experiencing in the training environment the kind of human problems they face on the job. This approach tends to produce more changed behaviour than the traditional approach. Theory is also necessary and desirable, but the ultimate test is how it applies in real practice. These answers are provided by OD.

17.4.8. Collaborative Management

In contrast to the traditional management structure where orders are issued at upper levels and simply carried out by low levels, OD stresses collaboration among levels. In OD, organizations are viewed in a systems perspective.

17.4.9. Group Process

In OD, an effort is made to improve interpersonal relations, open communication channels, build trust and encourage responsiveness to others. For this OD relies on group processes like group discussions, inter group conflicts, confrontations and procedures for co-operations.

17.4.10. Organizational Culture

OD assumes that the culture of every organization is different from the culture of the other organizations. The assumption that a particular solution can be applied to the problems of all the organization is generally not made in OD. Instead the culture of each organization must be understood and relations consistent with culture be developed.

17.4.11. Feedback

In OD, feedback is given to all the participants about themselves, which provides them a basis for their next activities. They generally base their decisions on this concrete data. With the help of feedback of information, employees will be encouraged to understand a situation and take self corrective action before somebody else tells them what to do.

17.4.12. Situational and Contingency Oriented

OD is flexible and pragmatic, adapting the actions to fit particular needs. Although some occasional OD change agent may have to impose a single best way on the group, there is, usually, open discussion of several better alternatives rather than a single best way.

17.4.13. Team Building

The basic objective of OD is to build better team work throughout the organization. OD tries to tie all the groups, small and large, working in the organization, together to make one integrated and cooperative group. If any groups have some differences, OD will help them to find out the ways for solving the differences. The result of effective team work will be improved organizational performance.

17.5 Benefits of Organizational Development

Increasing productivity and efficiency comes with many benefits. One of the best ways to encourage positive results in these metrics is by using a well-thought-out

organizational development structure. Organizational development is used to equip an organization with the right tools so that it can adapt and respond positively (profitably) to changes in the market. The benefits of organizational development include the following:

17.5.1. Continuous development

Entities that participate in organizational development continually develop their business models. Organizational development creates a constant pattern of improvement in which strategies are developed, evaluated, implemented, and assessed for results and quality In essence, the process builds a favorable environment in which a company can embrace change, both internally and externally. The change is leveraged to encourage periodic renewal.

17.5.2. Increased horizontal and vertical communication

Of considerable merit to organizational development is effective communication, interaction, and feedback in an organization. An efficient communication system aligns employees with the company's goals, values, and objectives. An open communication system enables employees to understand the importance of change in an organization. Active organizational development increases communication in an organization, with feedback shared continuously to encourage improvement.

17.5.3. Employee growth

Organizational development places significant emphasis on effective communication, which is used to encourage employees to effect necessary changes. Many industry changes require employee development programs. As a result, many organizations are working toward improving the skills of their employees to equip them with more market-relevant skills.

17.5.4. Enhancement of products and services

Innovation is one of the main benefits of organizational development and is a key contributing factor to the improvement of products and services. One approach to change is employee development a critical focal point is a reward for motivation and success. Successful engagement of employees leads to increased innovation and productivity. Through competitive analysis, consumer expectations, and market research, organizational development promotes change.

17.5.5. Increased profit margins

Organizational development influences the bottom line in many different ways. As a result of increased productivity and innovation, profits and efficiency increase. Costs come down because the organization can better manage employee turnover and absenteeism. After the alignment of an entity's objectives, it can focus entirely on development and product and service quality, leading to improvements in customer satisfaction.

17.6 Process of Organizational Development (OD)

Following steps are generally involved in an organizational development programme:

(1) Diagnosis of the Problem:

Organization development programme starts with the identification of the basic problems involved in the organization. Analysis of the various symptoms may be helpful in identifying the problem. Proper diagnosis will give correct identification of the problem and its causes and determine the scope of future course of action. In this the diagnosis involves a

number of techniques concerned with identifying issues, establishing priorities and translating them into aims and objectives. In this the major consideration is given to the techniques of identifying basic problems and issues.

(2) Planning to Change Strategy

In this the attempts are made to transform diagnosis of the problem into a proper action plan involving the overall goals for change, determination of the basic approach for attaining these goals and the sequence of detailed steps for implementing the approach.

(3) Intervening in the System and Implementing Change

Intervening in the system refers to all the planned activities during the course of an organization development programme. Organization development interventions are 'sets of structured activities in which selected organization units, target groups engage with a task or a sequence of tasks where the task goals are directly or indirectly related to organizational improvement. French and Bell has said that "Interventions constitute the action thrust of organization development; they make things happen. Organization development interventions include team development, laboratory training, managerial grid training, brain storming and intergroup teambuilding. The intervention should take place at all the three levels, namely, individual, group and organization.

(4) Evaluation Process

Organization development programme is a -long process. Therefore, careful monitor of the programme is essential. For that, effective appraisal of organization development programme, the use of critique sessions, systematic appraisal of change efforts and the comparison pre and post training behavioral pattern is very effective.

5) Feedback

Any OD activity is incomplete without proper feedback. Feedback is the process of relaying evaluations to appropriate employees and group by means of special sessions or reports. Feedback must be carefully handled because sometimes emotional factor set in. For instance, when mistakes of some of the members are spelled out then emotional factors accompanying the resentment may creep in. It is important to remember that feedback should be based on the broad array of data and should include the assessment of the change model itself.

17.7 Skills and Strategies an Organizational Development

17.7.1. Intrapersonal skills

Despite the growing knowledge base and sophistication of the field, organization development is still a human craft. As the primary instrument of diagnosis and change, practitioners often must process complex, ambiguous information and make informed judgments about its relevance to organizational issues. Practitioners must have the personal centering to know their own values, feelings, and purposes as well as the integrity to behave responsibly in a helping relationship with others. Because OD is a highly uncertain process requiring constant adjustment and innovation, practitioners must have active learning skills and a reasonable balance between their rational and emotional sides. Finally, OD practice can be highly stressful and can lead to early burnout, so practitioners need to know how to manage their own stress

17.7.2. Interpersonal skills

Practitioners must create and maintain effective relationships with individuals and groups within the organization and help them gain the competence necessary to solve their own problems. Group dynamics, comparative cultural perspectives, and business functions are considered to be the foundation knowledge, and managing the consulting process and facilitation as core skills. All of these interpersonal competencies promote effective helping relationships. Such relationships start with a grasp of the organization's perspective and require listening to members' perceptions and feelings to understand how they see themselves and the organization. This understanding provides a starting point for joint diagnosis and problem solving. Practitioners must establish trust and rapport with organization members so that they can share pertinent information and work effectively together. This requires being able to converse in members' own language and to give and receive feedback about how the relationship is progressing.

17.7.3. General consultation skills

OD starts with diagnosing an organization or department to understand its current functioning and to discover areas for further development. OD practitioners need to know how to carry out an effective diagnosis, at least at a rudimentary level. They should know how to engage organization members in diagnosis, how to help them ask the right questions, and how to collect and analyze information. A manager, for example, should be able to work with subordinates to determine jointly the organization's or department's strengths or problems. The manager should know basic diagnostic questions some methods for gathering information, such as interviews or surveys, and some techniques for analyzing it, such as force-field analysis or statistical means and distributions. In addition to diagnosis, OD practitioners should know how to design and execute an intervention. They need to be able to define an action plan and to gain commitment to the program. They also need to know how to tailor the intervention to the situation, using information about how the change is progressing to guide implementation. For example, managers should be able to develop action steps for an intervention with subordinates. They should be able to gain their commitment to the program (usually through participation), sit down with them and assess how it is progressing, and make modifications if necessary

17.7.4. Organization development theory

The last basic tool OD practitioners should have is a general knowledge of organization development. They should have some appreciation for planned change, the action research model, and contemporary approaches to managing change. They should be familiar with the range of available interventions and the need for evaluating and institutionalizing change programs. Perhaps most important is that OD practitioners should understand their own role in the emerging field of organization development, whether it is as an OD professional, a manager, or a specialist in a related area. The role of the OD practitioner is changing and becoming more complex, Ellen Fagenson and W. Warner Burke found that the most practiced OD skill or activity was team development, whereas the least employed was the integration of technology. The results of this study reinforce what other theorists have also suggested. The OD practitioners of today are no longer just process facilitators, but are expected to know something about strategy, structure, reward systems, corporate culture, leadership, human resource development and the client organization's business. As a result, the role of the OD practitioner today is more challenging and more in the mainstream of the client organization than in the past. OD Practitioner Skills and Activities

17.7.5. Project Management

1. Handled a variety of administrative and project management tasks.
2. Performed project management duties for PEA and clients with respect to client services and products.
3. Performed project management duties including analysis, planning and coordination of resources aimed at strategic business results and other organizational objectives.
4. Executed all project management and process documentation responsibilities related to the design, development and delivery of enterprise-wide tools training initiatives.

17.7.6. Training Programs

Consulted with business leaders to determine the most imperative business focus areas that can benefit from improved systems/training programs.

Developed and implemented evaluation system to assess the quality and effectiveness of learning/training programs and HR services.

Designed and implemented metrics to measure training programs impact, effectiveness, appropriateness, and utilization.

Conducted management/supervisory training programs for all levels at client companies.

17.7.7. Succession Planning

1. Identified new leaders for regional/national training and leadership opportunities and succession planning.
2. Standardized and aligned performance management and succession planning processes.
3. Facilitated Succession Planning meetings with the senior management.
4. Planned and lead the Organizational Review / Succession Planning workshop with site leadership team for talent management planning and structural planning.
5. Designed and implemented a Succession Planning process for field associates linking performance management, leadership competencies and the talent review process

17.8 Summary

Organization development is a contractual relationship between a change agent and a sponsoring organization entered into for the purpose of using applied behavioral science in a systems context to improve organizational performance and the capacity of the organization to improve itself.

Organization Development (OD) is one of the most significant developments in the field of organizational behavior in recent years. OD began to evolve as a distinct field of study in the 1940s when behavioral scientists in the US and Britain made efforts to resolve problems facing modern organizations.

OD has been defined in different ways by different behavioral scientists and applies the knowledge and practice of behavioral science to improve the effectiveness of organizations.

OD has four prominent approaches: laboratory training, survey research and feedback, action research, and sociological and socio technical approaches.

The field of OD rests on foundation of values and assumptions about people and organizations. The beliefs help to define what OD is and guide its implementations.

The OD values were considered revolutionary and are widely accepted today

17.9 Key words

Organizational Development (OD) comprises of a special set of organizational change methods. It is a planned, systematic process of organizational change based on behavioral science research and theory

Change Agent- A change agent in the sense used here is not a technical expert skilled in such functional areas as accounting, production, or finance. He is a behavioral scientist who knows how to get people in an organization involved in solving their own problems

Planned Change- Organizational development (OD) is an educational strategy for bringing about planned change. Planned change concept makes it different from other approaches for change in organizations.

Action research-It entails what its name describes – research and action. Action research is the process of systematically collecting research data about an ongoing system relative to some objective, goal or need of that system

Intrapersonal skills- Despite the growing knowledge base and sophistication of the field, organization development is still a human craft. As the primary instrument of diagnosis and change, practitioners often must process complex, ambiguous information and make informed judgments about its relevance to organizational issues

Interpersonal skills- Practitioners must create and maintain effective relationships with individuals and groups within the organization and help them gain the competence necessary to solve their own problems. Group dynamics, comparative cultural perspectives, and business functions are considered to be the foundation knowledge, and managing the consulting process and facilitation as core skills

17.10 Self Assessment Questions

1.Briefly Explain the Nature and scope of OD?
2. Discuss the Features of OD?
3. Explain the Benefits of OD?
4. Explain the Process of OD?
5. Briefly Describe the Skills and Strategies an Organizational Development?

17.11 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4. Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
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LESSON-18
INTER-GROUP INTERVENTION

Learning objectives
To learn the Intergroup Intervention
To Understand the Team Building skills
To Know the Consultant client Relationship
To Deal with the Organizational Diagnosis

Structure
18.1 Introduction
18.2 Third-Party Peace Making Intervention
18.3 Types of Third-Party Intervention/ Role
    18.3.1. The Facilitator
    18.3.2. The Consultant
    18.3.3. Mediation
18.4 Team Building
    18.4.1 Synergy in Team-work
    18.4.2 Social Loafing
    18.4.3 Effective Team
    18.4.4 Skills and Role Clarity
18.5 Consultant-Client Relationship
    18.5.1. Entry and Contracting
    18.5.2. Client System
18.6 Organizational Diagnosis
    18.6.1 Determining The Depth Of Intervention
    18.6.2 Consultant Model
    18.6.3. Microcosm
    18.6.4 Dependency Issue and Terminating the Relationship
    18.6.5 Ethics
18.7 Inter Group Interventions
18.8 Third Party Peacemaking Interventions
18.9 Personal Interventions
18.10 Interpersonal and Group Process Interventions
18.11 Group Problem Solving and Decision Making
18.12 Group Norms and Growth
18.13 Leadership and Authority
18.14IndividualInterventions
18.15 Summary
18.16 Self Assessment Questions
18.17 key words
18.18 Suggested Readings

18.1 Introduction

Inter-group interventions are integrated into Organizational Development programs to facilitate cooperation and efficiency between different groups within an organization. Inter Group Intervention intends to increase communications and interactions between work related groups to reduce the amount of dysfunctional competition designed to improve the effectiveness of interdependent groups, i.e. those that must cooperate to produce a common

output. These focus on joint activities and the output of the groups as a single system rather than 2 subsystems

18.2 Third-Party Peace Making Intervention

The term third party is used to describe a person or group of people who intervene in a conflict situation to help those involved resolve their dispute. There are many roles that a third party might have in a conflict situation. Third-Party Intervention is an involvement of person/team into on-going conflict of two parties like management and union to resolve conflict. Generally, third party interventions help parties analyze consequence of their action and manages/ resolve conflict in mutually beneficial way. There are various levels of third party interventions mandated by laws in employer and labour relations in collective bargaining framework.

18.3 Types of Third-Party Intervention/ Role

Third party intervention is not uncommon, when a conflict that must be resolved somehow happens and all else fails then conflict resolution third party interventions are needed, below are descriptions of mediation and arbitration as the two main third party intervention processes.

18.3.1. The Facilitator

This role is used to help organize and arrange meetings between the disputing parties, set agendas, guide productive discussions, and keep a record of what is being discussed.

18.3.2. The Consultant

This role is used to aid the disputing parties in analyzing and understanding the reasons for the conflict so that they can plan a resolution strategy.

18.3.3. Mediation

Mediation is the use of a neutral third-party to help the disputing parties resolve the dispute on their own. A mediator will not resolve the dispute for you, but she will help facilitate a discussion between you and the person with whom you are having a problem, in hopes that you and the other person can find a solution together. The mediator is the most active role that a third party can hold. He or she can facilitate discussions in a manner that is designed to end the dispute in a way that is pleasing to all involved parties. What makes the mediator especially effective is his or her independent and impartial stand on the conflict. Most mediators are brought in from outside the organization - or at least from outside of the functional area in which the conflicting parties work

18.3.4. Arbitration

When a mediator is unable to persuade the disputants to reach a solution on their own, arbitration may become necessary. Arbitration is a more aggressive third-party intervention wherein an arbitrator or panel of arbitrators listen to all sides of the issue and make a firm decision on how to end the conflict. Typically, a transcript is kept so that the arbitrator can carefully review all evidence and testimony of the disputants before determining who is right or wrong and how the conflict must be settled.

The decision on how the conflict is to be resolved is binding and cannot be changed. This is why the arbitrator is considered to be the most powerful type of third-party intermediary. Arbitration works well for parties who do not mind relinquishing control over conflict resolution and those who simply want to settle the dispute.

A team as we all knows can be defined as "grouped persons with complementary skills and who are committed to common goals and approach for which they hold themselves mutually accountable". Collaborative management of work team culture is a fundamental emphasis of organizational development programs. Generally, the techniques and the theory of understanding and improving performance come from the laboratory training movement coupled with research in the area of group dynamics.

18.4 Team Building

18.4.1 Synergy in Team-work

Another important feature of a team is the concept of synergy which generates in team-work and the understanding of which helps in developing effective team. The concept of synergy is quite popular in strategic management and it is defined as follows:

Synergy is the process of putting two or more elements together to achieve a sum total greater than the sum total of individual elements separately. This effect can be described as 2+2=5effect."

Thus, synergistic effect is not automatic but depends on the complementarily of different elements that are put together and the way they interact among themselves, that is, how a particular element affects another and is affected by it. Putting the concept of synergy in team-work means members of the team are complementary to each other and they contribute positively to one another. In fact, a team is created to undertake a task which requires a variety of skills and single individual cannot perform that task alone. To the extent, the complementarily among members is achieved; the team would be effective, other factors remaining the same.

18.4.2 Social Loafing

Social loafing is antithesis of synergy in team-work which suggests that people working together on a common task may actually decrease their individual efforts; team-work does not necessarily spurt group efforts. A simple phenomenon of social loafing may be observed in a group assignment to students during their study. In such an assignment, students find that one or two students do not put their weight for the completion of the project. These students may be called loafers (not attaching the same connotation which is attached with the term loafer in our social phenomenon) who frequently miss the project group's meetings, fail to perform their assigned tasks, and so on. They rely on the fact the more reliable members will complete the project without their help, and still expect to share the credit and obtain the same marks from the professor since he will be concerned with determining who worked and who did not. This phenomenon may happen in teams in work organizations too. For example, in one experiment, it was found that individuals' total efforts were much higher than the group efforts. Individuals were asked to pull alone as hard as possible on a rope attached to a strain gauge. They averaged 138.6 pound of pressure while tugging on the rope. When the same individuals pulled on the rope of groups of three, group of eight, the individual average dropped down still lower-68.2 pounds. Dropping of average output in group efforts indicates that some members of the group were not contributing as much as they did individually. The possibility of occurring of social loafing in a team-work increases because of the following reasons:

1. When the division of work cannot be accomplished properly and individual efforts are hard to determine, group efforts tend to slacken.

2. When the group is not cohesive with high output norms, individual members do not contribute to the fullest extent. A group is not merely an assemblage of individuals but there should be a feeling that they are members of the group and share common interests, goals, and attitudes.

The phenomenon of social loafing can be minimized by constituting effective team for group performance.

18.4.3 Effective Team

An effective team is one which contributes to the achievement of organizational objectives by performing the task assigned to it and providing satisfaction to its members. In the above paragraph, we have mentioned that team effectiveness depends on the complementarily of team members, other factors remaining the same. From this statement, it appears that there are many factors in an effective team. These factors are skills and role clarity, supportive environment, super-ordinate goals and team rewards. Let us see how these factors make a team effective.

18.4.4

18.4.5 Skills and Role Clarity

For an effective team, two things are required from its members; skills which are complementary to the team requirement and understanding of one's own role as well as roles of other members. While skills are relevant for job performance Synergy is the process of putting two or more elements together to achieve a sum total greater than the sum total of individual elements separately. This effect can be described as 2+2=5effect.

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Thus, synergistic effect is not automatic but depends on the complementarity of different elements that are put together and the way they interact among themselves, that is, how a particular element affects another and is affected by it. Putting the concept of synergy in team-work means members of the team are complementary to each other and they contribute positively to one another. In fact, a team is created to undertake a task which requires a variety of skills and single individual cannot perform that task alone. To the extent, the complementarily among members is achieved; the team would be effective, other factors remaining the same.

18.5 Consultant-Client Relationship

We need to consider certain situation while taking the service of the external consultant which requires proper attention. These situations lead to problem or conflicts which require to be resolved, thus issues in consultant-client relationships are the focal areas that need consideration. These areas should be managed properly to avoid adverse effects.

Inter-related issues in this relationship are: –

18.5.1. Entry and Contracting

The organization could be experiencing particular problems, such as poor product quality, high rates of absenteeism, or dysfunctional conflicts among departments. Conversely, the problems might appear more diffuse and consist simply of feelings that the organization should be "more innovative," "more competitive," or "more effective.

"Entering and contracting are the initial steps in the OD process. They involve defining in a preliminary manner the organization's problems or opportunities for development and establishing a collaborative relationship between the OD practitioner and members of the client system about how to work on those issues. Entering and contracting set the initial parameters for carrying out the subsequent phases of OD: diagnosing the

organization, planning and implementing changes, and evaluating and institutionalizing them. They help to define what issues will be addressed by those activities, who will carry them out, and how they will be accomplished.

Entering and contracting can vary in complexity and formality depending on the situation. In some cases where the manager of a work group or department serves as his or her own OD practitioner, entering and contracting typically involve the manager and group members meeting to discuss what issues to work on and how they will jointly meet the goals they set.

Here, entering and contracting are relatively simple and informal. They involve all relevant members directly in the process—with a mini-mum of formal procedures
In situations where managers and administrators are considering the use of professional OD practitioners, either from inside or from outside the organization, entering and contracting tend to be more complex and formal.

18.5.2. Client System

The question of who the client quickly becomes an important issue in consultant-client relationships. A viable model is one in which, in the initial contact, a single manager is a client, but as trust and confidence develop between the key client and the consultant, both begin to view the manager and his/her subordinate team as the client, and then the manager's total organization as the client.

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18.6 Organizational Diagnosis

Organizational diagnosis is a creative method for getting to know an organization at all levels from the surface levels to the deepest hidden parts that aren't visible to the eye. Performing organizational diagnosis is not so far off from a doctor trying to diagnose their patients. Some doctors diagnose differently by focusing on nutrition, food, and natural remedies, whereas others diagnose by using chemical medications, or even by trying a remedy, seeing whether it has positive effects, and then trying something new. This is very similar to what we have learned to do in the business sense to organizations. Different diagnostic models can be used in different situations depending on the wants, needs, and goals of our clients (patients).

18.6.1 Determining the Depth of Intervention

Roger Harrison suggested two criteria for determining the depth of intervention and those are:

First, intervention should be at the level not deeper than that is required to produce a solution to current problems.

Second, intervention should be at a level not deeper than that at which resources and energy of the client can be committed to problem-solving or to change.

Thus, as per these criteria consultant should proceed no deeper than the legitimating provided by the client – system culture and its resources and he/she should stay at the level of consciously felt needs so by keeping in mind the consultant capabilities, limitations, client – system's resources, constraints and the immediate necessity, the depth of intervention should be determined.

18.6.2 Consultant Model

Consultant Model Consultant acts as a role model for the client. The consultant should practice what he/she preaches. The consultant may advocate open system but suppresses his or her own feelings about what is happening in the client system. The consultant should give out clear messages

18.6.3. Microcosm

A community, place, or situation regarded as encapsulating (representing special feature) in miniature the characteristics of something much larger. An example of a microcosm is a small sect of the population which is surveyed in order to get an idea of the opinions of the general population.

Microcosm group intervention derives from an inter-group theory which was developed by Alderfer (who has applied it to communications and race-related problems).Microcosm group consists of a small number of individuals who reflect the issues being addressed and resolved. Microcosm group can consist consultant (or group of consultants) and client-system.

Microcosm group work through "parallel group", (A parallel design, also called a parallel group study, compares two or more treatments. Participants are randomly assigned to either group, treatments are administered, and then the results are compared). (due to which unconscious changes takes place in individuals when two or more groups interact. This group assisted by OD consultant can create program and process targeted at a specific issue, such as

(i) Addressing diversity issues
(ii) Carrying out the organizational diagnosis
(iii) Solve communication problem (e.g., improving the way meeting is conducted)
(iv) Integrate two cultures
(v) Smooth transition to the new structure needs so by keeping in mind the consultant capabilities, limitations, client – system's resources, constraints and the immediate necessity, the depth of intervention should be determined.

18.6.4 Dependency Issue and Terminating the Relationship

The termination of relationship is directly proportional to the dependency relationship between client and consultant The more dependent the client is on the consultant, the more difficult it is to terminate the relationship If the consultant is in the business of assisting client to internalize skills and insights – then it is making client less dependent on it and in such case terminating the relationship is not an issue Thus the consultant's role as a facilitator creates less dependency and more client growth.

Consultant's role as a part educator - this involves consultant's intervention on an on-going basis. It requires open communication with client about objective of interventions and about sequence of planned event.

Relationship between client and consultant depends on : Consultant competence : the longer the consultant are able to provide innovative and productive intervention, the more longer the relationship will be Clients' resourcefulness and capabilities in OD Organizational factors like: Internal power struggle, Crisis, Top management support

18.6.5 **Ethics**

Serving the long-term well- being of our client system and stakeholders. Conducting ourselves honestly, responsibly, and with appropriate openness. Establishing mutual agreement on a fair contract.

Implications of Organizational Development

For Organization a) Create learning organization culture. b)Adopt win-win strategy for sustained growth. c) Create cooperative dynamics rather than competitive organizational dynamics in the organization.

Issues Redressal

(1) Consultant team must set an example of an effective unit if the team is to enhance the credibility.

(2) Practitioners need effectiveness that comes from continuous growth and renewal processes.

(3) The quality of the interrelationships within the consulting team carries over directly into the quality of their interventions.

Recommendations For Better Consultant-Client Relations:–

(1) Both parties should keep transparency in dealings.

(2) The consultant should not be hesitant to tell the client that he/she has a difference of opinion

(3) A consultant should try to complete all the activities in the decided timeframe.

(4) It would be better if the consultant follows the principle of under commit – over deliver.

(5) A consultant needs to diagnose the situation properly and collect data as much as possible to avoid under-estimation of project complexity or scope.

(6) Both parties should maintain ethical standards like honesty, integrity, confidentiality, etc.

(7) A consultant should offer knowledge transfer in the form of mentoring and coaching.

(8) A consultant should not promise unrealistic outcomes.

(9) In the initial stages, a frequent meeting should be arranged, and both parties should communicate effectively so as to enable the consultant to understand client's requirement properly.

Depth of Intervention

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18.7 Inter Group Interventions

The focus of this teambuilding group of OD interventions is on improving intergroup relations.

The goals of these activities are to increase communications and interactions between works related groups to reduce the amount of dysfunctional competition. Organization development methods provide ways of increasing intergroup cooperation and communication.
The interventions are to deal with the verities of groups:

Where relations between groups are strained or overtly hostile. That have decided to work on improving their intergroup relations come together, time and again these kinds of structured intergroup activities have been found empirically to bring about better intergroup relations in the diverse situations.

18.8 Third Party Peacemaking Interventions

Conflict management can be a major component in the professional life of the OD practitioner.
OD interventions can be used when two persons are in conflicts. The major theory underlying this concept is given below:

Walton's Approach to Third Party Peace making

R.E. Walton has presented a statement of theory and practice for third party peacemaking interventions. This intervention technique is related to inter group relations described as possessing the basic feature i.e., confrontation where the two principals must be willing to confront the fact that conflict exists and that it has consequences for the effectiveness of the two parties involved.
He proposed a diagnostic model of interpersonal conflict based on four basic elements:
1. The conflict issue.
2. The precipitating circumstances.
3. The conflict relevant acts of the principals.
4. The consequences of the conflicts.

Intervention tactics of the third party consist of structuring confrontation and dialogue between the principals. The third party will intervene directly and indirectly in facilitating dialogue between the principals. He would be setting time boundaries on the interaction and meet on the neutral turf

18.9 Personal Interventions

In a personal intervention the facilitator identifies a significant flaw or a blockage in or opportunity to expedite the planning process and consciously and personally sets out to change the course of that process. Personal interventions require the facilitator to meet in person with individuals or teams to crystallize and resolve the intervention issue. Personal intervention by the facilitator in the strategic planning process is critical to its success and can significantly compress the change process.

The ability to make effective personal interventions is the most sophisticated and valuable personal skills facilitator can posses. Intervention requires extensive experience

with the planning process, sensitivity to people, good personal relationships, credibility, an extensive bag of solutions to various process problems, and an exquisite sense of timing as to when to intervene. Therefore, there is no simple cookbook that mechanically teaches how and when to make an intervention. It's a matter of experience, formal and on-the-job training in organization intervention techniques, and inherent skill. While more a personal skill than a technical facilitation skill, intervention ability is included in the cue cards because it is so important and serves as a quick reminder of the most common intervention situations as you implement a planning process.

18.10 Interpersonal and Group Process Interventions

The process consultant must be keenly aware of the different roles individual members take on in a group. Both upon entering and while remaining in a group, the individual must determine a self-identity influence, and power that will satisfy personal needs while working to accomplish group goals. Preoccupation with individual needs or power struggles can reduce the effectiveness of a group severely, and unless the individual can expose and share those personal needs to some degree, the group is unlikely to be productive.

Therefore, the process consultant must help the group confront and work through these needs. Emotions are facts, but frequently they are regarded as side issues to be avoided. Whenever an individual, usually the leader, says to the group, "Let's stick with the facts," it can be a sign that the emotional needs of group members are not being satisfied and, indeed, are being disregarded as irrelevant. Two other functions need to be performed if a group is to be effective:

(1) task related activities, such as giving and seeking information and elaborating, coordinating, and evaluating activities; and

(2) group maintenance actions, directed toward holding the group Notes together as a cohesive team, including encouraging, harmonizing, compromising, setting standards, and observing. Most ineffective groups perform little group maintenance, and this is a primary reason for bringing in a process consultant. The process consultant can help by suggesting that some part of each meeting be reserved for examining these functions and periodically assessing the feelings of the group's members. As Schein points out, however, the basic purpose of the process consultant is not to take on the role of expert but to help the group share in its own diagnosis and do a better job in learning to diagnose its own processes: "It is important that the process consultant encourage the group not only to allocate time for diagnosis but to take the lead itself in trying to articulate and understand its own processes." Otherwise, the group may default and become dependent on the supposed expert. In short, the consultant's role is to make comments and to assist with diagnosis, but the emphasis should be on facilitating the group's understanding and articulation of its own processes.

18.11 Group Problem Solving and Decision Making

To be effective, a group must be able to identify problems, examine alternatives, and make decisions. The first part of this process is the most important. Groups often fail to distinguish between problems (either task-related or interpersonal) and symptoms. Once the group identifies the problem, a process consultant can help the group analyze its approach, restrain the group from reacting too quickly and making a premature diagnosis, or suggest additional options.

Example: A consultant was asked to process a group's actions during a three-hour meeting that had been taped. The tapes revealed that premature rejection of a suggestion had severely retarded the group's process. After one member's suggestion at the beginning of the meeting was quickly rejected by the manager, he repeated his suggestion several times in the next hour.

Each time his suggestion was rejected quickly. During the second hour, this member became quite negative, opposing most of the other ideas offered. Finally, toward the end of the second hour, he brought up his proposal again. At that time, it was thoroughly discussed and then rejected for reasons that the member accepted. During the third hour, this person was one of the most productive members of the group, offering constructive and worthwhile ideas, suggestions, and recommendations. In addition, he was able to integrate the comments of others, to modify them, and to come up with useful, integrated new suggestions. However, it was not until his first suggestion had been thoroughly discussed (even though it was finally rejected) that he was able to become a truly constructive member of the group. Once the problem has been identified ,a decision must be made. One way of making decisions is to ignore a suggestion.

Example: When one-person makes a suggestion, someone else offers another before the first has been discussed. A second method is to give decision-making power to the person in authority.

Some-times decisions are made by minority rule, the leader arriving at a decision and turning for agreement to several people who will comply. Frequently, silence is regarded as consent. Decisions also can be made by majority rule, consensus, or unanimous consent. The process consultant can help the group understand how it makes its decisions and the consequences of each decision process, as well as help diagnose which type of decision process may be the most effective in a given situation. Decision by unanimous consent or consensus, for example, may be ideal in some circumstances but too time-consuming or costly in other situations.

18.12 Group Norms and Growth

Especially if a group of people works together over a period of time, it develops group norms or standards of behavior about what is good or bad, allowed or forbidden, right or wrong. There may be an explicit norm that group members are free to express their ideas and feelings, whereas the implicit norm is that one does not contradict the ideas or suggestions of certain group members (usually the more powerful ones). The process consultant can be very helpful in assisting the group to understand and articulate its own norms and to determine whether those norms are helpful or dysfunctional. By understanding its norms and recognizing which ones are helpful, the group can grow and deal realistically with its environment, make optimum use of its own resources, and learn from its own experiences.

18.13 Leadership and Authority

A process consultant needs to understand processes of leadership and how different leadership styles can help or hinder a group's functioning. In addition, the consultant can help the leader just her or his style to fit the situation. An important step in that process is for the leader to gain a better understanding of his or her own behavior and the group's reaction to that behavior. It also is important that the leader become aware of alternative behaviors.

Example: After gaining a better understanding of his or her assumptions about human behavior, the leader may do a better job of testing and perhaps changing those assumptions

18.14 Individual Interventions

These interventions are designed to help people be more effective or to increase the information they have about their "blind spot" in the Johari Window. Before process consultants can give individual feedback, they first must observe relevant events, ask questions to understand the issues fully, and make certain that the feedback is given to the client in a usable manner.

The following are guidelines for effective feedback:

- The giver and receiver must have consensus on the receiver's goals.
- The giver should emphasize description and appreciation.
- The giver should be concrete and specific.
- Both giver and receiver must have constructive motives.
- The giver should not withhold negative feedback if it is relevant.
- The giver should own his or her observations, feelings, and judgments.
- Feedback should be timed to when the giver and receiver are ready.
- Group Interventions
- These interventions are aimed at the process, content, or structure of the group. Process
- interventions sensitize the group to its own internal processes and generate interest in analyzing those processes.
- Interventions include comments, questions, or observations about:
- Relationships between and among group members.
- Problem solving and decision making
- The identity and purpose of the group.
- Content interventions help the group determine what it works on.
- Group membership
- Agenda setting, review, and testing procedures.
- Interpersonal issues.
- Conceptual inputs on task-related topics. Structural interventions help the group examine the stable and recurring methods it uses to accomplish task

18.15 Summary

In addition to this light has been thrown on the understanding of teams, team-building interventions because team building produces powerful positive results and it is an intervention in harmony with the nature of organization as a social system.

In teams members are interrelated to each other and must coordinate and integrate individual efforts in order to achieve successful task accomplishments.

It is discussed and analysed that team building interventions are at the centre of OD activities some emphasis has been laid on the intergroup and third party peacemaking interventions and to learn how these interventions actually reduce intergroup and interpersonal conflict and improve relationships

18.16 Key words

The Facilitator- This role is used to help organize and arrange meetings between the disputing parties, set agendas, guide productive discussions, and keep a record of what is being discussed

The Consultant- This role is used to aid the disputing parties in analyzing and understanding the reasons for the conflict so that they can plan a resolution strategy.
Mediation- Mediation is the use of a neutral third-party to help the disputing parties resolve the dispute on their own. A mediator will not resolve the dispute for you, but she will help facilitate a discussion between you and the person with whom you are having a problem, in hopes that you and the other person can find a solution together

Arbitration-When a mediator is unable to persuade the disputants to reach a solution on their own, arbitration may become necessary. Arbitration is a more aggressive third-party intervention wherein an arbitrator or panel of arbitrators listen to all sides of the issue and make a firm decision on how to end the conflict.

Social Loafing- Social loafing is antithesis of synergy in team-work which suggests that people working together on a common task may actually decrease their individual efforts

18.17 Self Assessment Questions

1. Discuss briefly the techniques used in team building interventions.
2. Write short notes on:
(a) Cross-functional teams
(b) Third party peace-making interventions
(c) Process consultations interventions.
3. Briefly Explain the organizational Diagnosis?

18.18 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4. Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
5.Organization Development and change with Mind Taplle, Thomas, Cummings/Christopher. G. Worky, Cenage Learning India, Private Limited. 2023.

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LESSON -19
ORGANIZATIONAL LEVEL DIAGNOSIS

Learning objectives

To understand Organizational Diagnosis
To Learn the Framework of Organizational Diagnosis
To study the need for effective Organizational Diagnosis
To explain the Phases in Diagnosis

Structure

19.1 Introduction
19.2 Diagnosis-General Considerations
19.3 Concept of Organizational Diagnosis
19.4 Diagnocube: The Domain of Diagnosis
19.5 Theory in Action: The Framework of Organizational Diagnosis
19.6 Need for Effective Organizational Diagnosis
19.7 Organizational Diagnosis: Process, Interpretation and Methods
19.8 Phases in Diagnosis
19.9 Methods
19.10 Summary
19.11 Key words
19.12 Self Assessment Questions
19.13 Suggested Readings

19.1 Introduction

Managers in most of the organizations are investing great amounts of time and energy in planning and managing organizational change. These planned change efforts are intended to respond to challenges arising from very turbulent and competitive environments in which organizations of the present day exist. In addition, organizations have also to meet with the demands of the customers and other stake holders who are well aware of and well informed of the developments and quality standards of products and services world-wide, thanks to the advancements.

Information technology and ever-growing communication media. The policy makers and the top management in organizations are also constrained to meet with the challenges of change for sustaining current markets if not to 'leap-frog' competition and the latter requires mandating dramatic and innovative organizational changes. While the need for change is felt by all organizations that alone does not make change happen. The success or failure of an organizational change effort depends crucially on understanding and realizing "why to change, how to change, who to change and when to change". Unfortunately, most often organizations initiate change processes without addressing these basic question.

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19.2 Diagnosis-General Considerations

Most of the calculated management decisions are based on some sort of diagnosis. Every manager, irrespective of his level, is in a continuous cycle of diagnosis decision-action-evaluation, so long as his decisions and actions are not impulsive. His ability to diagnose directly affects his performance. Top management often takes decision:; forwarded by the managers at lower levels. The top managers have often to 'see', not with their eyes but with their ears. The ears listen to what the other managers have diagnosed. The direct contact with organizational reality is minimum at the lonely heights of the organizational top. Yet, periodically, they are supposed to know clearly what is happening within the organization. Much data, helpful for diagnosis, are screened off by managers at the lower echelons at their own discretion.

The upper level may thus be handicapped by less available information and data. Their level is the converging point of divergent views of the lower levels which make their own diagnoses. How many managements reject or synthesize these views without knowing the diagnostic bases from which their managers tend to operate?

Sometimes the management seeks help from external diagnosticians. Is this done in the interest of objectivity? 1s it to crosscheck its own views? In a recent study of 85 chief executives, by Bhattacharya, Chattopadhyay and Sengupta, it was found that about85 per cent of the chief executives agreed quite strongly that one of the reasons for using external diagnosticians was to have objectivity. But when it came to comparing the management's own views with those of the outsider, only about 75 per cent agreed quite strongly with the proposition while 29 percent quite strongly disagreed. Putting these two sets of data together, one may get an indication of the dilemma that prevails in the situation. Neither can the internal diagnosis be accepted, nor can it be rejected.

One feels that the objectivity lies outside; one has to crosscheck the internal diagnoses. Yet, how can one agree to crosscheck one's own internal diagnoses since they often constitute the operating base? The dilemma seems to be "Do I not trust and depend on my own instruments?"

The know ("gno") is the central concept in diagnosis. The urge to know, to sense what Organization happens around an individual and integrate the experiences into a pattern, a syndrome, Diagnosis: and Concepts and to arrive at a distinguishing meaning of these experiences constitutes a basic urge of a variable, dynamic organism. This cognitive process of diagnosing is characterized by a high degree of selectivity in sensing. With selectivity, screening takes place.

Differential preferences ad specializations emerge. Different schools of thinking develop. The specializations which are timely to affect both internal managers and external diagnosticians, provide rich depth and breadth in differentiation and divergence. But the associated need for integration and convergence to a single point of action-decision remains more often than not unattended. The role of the top management is specifically to deal with this duality.

19.3 Concept of Organizational Diagnosis

Diagnosis involves defining the episode under study by picking up the relevant "symptoms" arranging them into a pattern, and distinguishing them from other patterns.

A systematic process of diagnosis has been widely used in natural sciences, in applied sciences I like forensic science and criminology, medicine, agriculture, engineering and in such other fields. In these spheres, diagnosis quite often ends when a name can b eput to a distinguishable pattern of the mosaic of symptoms. For example, a criminologist's diagnosis is complete when he correlates all the relevant facts of a case and concludes it to be a murder and not a suicide; a physician or the radiologist concludes that it is a case of spondylitis (and not myocardial infarction); a psychologist diagnoses the man as having high achievement motivation (and that he is not a social deviant). Organizational diagnosis, essentially, follows the same process.

But since organizational paleology has not been studied in any great detail, it is impossible at present to integrate symptoms into such precise and definite syndromes

Moreover. basic sciences have contributed a great deal to understanding cause-effect relationships in other fields of science and technology. Such contributions being limited in organizational sciences, a great deal of heuristic approaches necessarily come into play. Because of these limitations, there are different expectations from the role of an organizational diagnostician;

(a) he should diagnose to the point of describing the present ailment; or

(b) he should add to it his prognosis; his estimates of the likely consequences over a period of time; or

(c) in addition to diagnosis and prognosis, he should recommend prescriptions of active interventions. No firmly established norm has yet been developed regarding the extent to which the meaning of diagnosis should be extended. However, it would be pragmatic, if the process of diagnosis includes prognosis but not interventions. More importantly, it should trigger a process of self-searching through a relationship of mutuality between the external diagnostician and the organization.

In the study of Bhattacharyya, Chattopadhyay and Sengupta, attention of thechief executives was drawn to this mutuality. Only some chief executives (12 per cent) said that the diagnostician "made his own diagnosis; and announced it to us". But other chief executives saw different approaches: 7 per cent said, "he sold to us his way of looking at the problem"; 12 per cent asserted that "he presented a tentative diagnosis, subject to changing"; 26 per cent said that "he defined the parameters of the problem, invited suggestion and evolved the diagnosis"; and lastly, in the opinion of 43 per cent. "he was able to involve us in jointly arriving at a diagnosis". These studies indicate the variability in approaches but also show the dominant trend.

The: approaches to organizational diagnosis vary not only with the nature of i~ncl Intervention relationship between the diagnostician and the organization, but in a very substantive way depend on: (a) the preferred domain of diagnosis, (b) the methodology adopted in diagnosing, and (c) the assumptions in diagnosing.

19.4 Diagnocube: The Domain of Diagnosis

One of the concomitant aspects of specialization is selectivity in the preferred domain of work. With the same patient, a homeopathy and an allopath will have different domains of work; so will there be differences between the approaches of a neuro-surgeon, an orthopedic surgeon and an ophthalmologist. An organization, defined as a synergistic aggregate of systems and subsystems, offers different domains to work upon. The concept of domain as used here differs from that given by Van de Venand Ferly (1980). According to him "Domain refers to the specific goals of an organization in terms of the functions it performs, the products or services it renders, and the target population and market it serves". In this definition the concept of domain is embedded in the contextual factors. The definition by which the word "domain" has been used in this chapter refers to the areas of substantive activities or constituents in the content of the organization.

The domains of organizational diagnosis can be conceived as bounded by four dimensions:
(1) systems, (2) components of the systems, (3) the coverage of area, and
(4) the surrounding external environment.

1) Systems: An organization can be considered as a combination of SET-Social- 4 Economic-Technical systems. The social system, that is the peoples system, consists of psychological, social, cultural and political subsystems arising out of people at work as individuals, groups- and multiple groups in a techno-economic setting. The economic system includes procurement, allocation and utilization of all resources, finance, cost marketing and the like, in a perspective setting made up by the other two systems-social and technical. The technical system includes work and technology required to perform the work in a perspective of socio-economic setting. Organizational diagnosis has often remained confined to any one of these systems.

2) Components of the systems: There are components in each system where the diagnosis is undertaken: (a) structure, (b) process, and (c) function. Structure refers to all elements in the organization and their comparatively enduring and lasting relationships and arrangements which have formal sanctions. Process refers to the manner in which events are conducted sequentially. Function includes strategic variables, performance variable, results and achievements and end products.

3) The coverage of the area: The coverage of the domain refers essentially to the area of 'the organization opened up for diagnostic investigation. This may be in terms of time, space, people, events or phenomena occurring within the organization. The coverage may be classified into three categories: (a) singularity, (b) plurality, and (c) totality of events in the life span of the organization. For example, a medical diagnostician may be called in to diagnose a single episode of ailment (singularity), or a climber of episodes and ailments (plurality), or the total health of the patient (totality). A diagnostician similarly can be called in to investigate a single episode of say, a strike, a relationship in a given department, marketing of a particular product decision of a particular investment, and so on. Plurality of coverage indicates the opening up of the organization to more than one specific episode for

investigation. Therange of plurality will vary. 'Totality of coverage denotes a diagnosis based focused on the entire organization, or on any phenomenon in its entirety.

4) It is also possible that within each typology there are variant forms and emphases. For example, with in a social system there are psychological, sociological, political and cultural sub-systems, as mentioned before. Therefore, the specialization of the diagnosis can fertilizer narrow down the focus of his diagnostic activity. Often the diagnostician operates on more than one cell. But he can discern a distinct bias in his emphasizing a specific cell. It may be better when diagnosticians are able to use more and more cells in combination. This typology is useful to provide the identification of the base from which the diagnosis is made-may be by the manager or by the external diagnostician; and the other bases that can and should be added to it to get a meaningfully comprehensive picture.

19.5 Theory in Action: The Framework Of Organizational Diagnosis

Beyond the diagnostic domain that the diagnostician selects to work upon, and the method that lie chooses to use, are some of his basic assumptions regarding man, organization, man-in-the-organization, quality of work life and the interrelationships that are crucial in organizational life. These assumptions in their turn also influence him to decide on the domain to work upon and to direct the process of diagnosis in a substantive manner.

In practice, diagnosticians have been observed to take different stances. The stance often taken in diagnosis is to examine the present state of affairs of the organization in relation to its future goals; and then the strategic variables take the topmost priority. But the controversy arises in determining the goals of the organization:

(a) any organization pursues multiple objectives and these objectives need not be necessarily congruent;

(b) the objectives at a give phase of development are not the same as at another phase of development of the organization; and

c) the impact of the environment of different types at different points of time will have different effects on the organizational objectives. Taken together, one may see that the goal-oriented parameters of diagnosis are not really static but are in a state of continuous flux.

Another approach pursued by the diagnostician is essentially normative. The organization, at the point of time of diagnosis, is as if sick and therefore deviant from the normal. The role of the diagnostician is to find out where the deviations exist and also to estimate the nature and magnitude of these deviations such that ameliorative, corrective action call be taken to revert it back to the normal. This is the stance of the physicians in diagnosing patients' ailments. When they find that the deterioration is irreversible, they attempt to arrest or retard the further progress of the disease. Some' business healers' tend to follow the same principle.

The assumptions about organizational diagnosis have been influenced by early conception of organizations as a machine or organism. The fact of the matter is that an organization is neither a machine nor an organism. The analogies are valid only up to a certain level. The mechanistic approach to find the optimal fit of factors leading to a Beyond the diagnostic domain that the diagnostician selects to work upon, and the method that lie chooses to use, are some of his basic assumptions regarding man, organization, man-in-the-organization, quality of work life and the interrelationships that are crucial in organizational life. These assumptions in their turn also influence him to decide on the domain to work upon and to direct the process of diagnosis in a substantive manner.

In practice, diagnosticians have been observed to take different stances. The stance often taken in diagnosis is to examine the present state of affairs of the organization in relation to its future goals; and then the strategic variables take the topmost priority.
But the controversy arises in determining the goals of the organization:
(a) any organization pursues multiple objectives and these objectives need not be necessarily congruent;
(b) the objectives at a give phase of development are not the same as atanother phase of development of the organization; and
(c) the impact of the environment of different types at different points oftime will have different effects on the organizational objectives. Taken together, one may see that the goal-oriented parameters of diagnosis are not really static but are in a state of continuous flux.
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Another approach pursued by the diagnostician is essentially normative. The organization, at the point of time of diagnosis, is as if sick and therefore deviant from the normal. The role of the diagnostician is to find out where the deviations exist and also to estimate the nature and magnitude of these deviations such that ameliorative, corrective action call be taken to revert it back to the normal. This is the stance of the physicians in diagnosing patients' ailments. When they find that the deterioration is irreversible, they attempt to arrest or retard the further progress of the disease. Some 'business healers' tend to follow the same principle.

The assumptions about organizational diagnosis have been influenced by early conception of organizations as a machine or organism. The fact of the matter is that an organization is neither a machine nor an organism. The analogies are valid only up toa certain level. The mechanistic approach to find the optimal fit of factors leading to a normative existence, or the organism approach to find adaptation to environment are, therefore, likely to be functional only up to a point.

Yet another approach, basically influenced by the practice of psychoanalysis, relies on the: diagnostician analyzing how he himself is made to feel at different stages of the relationship between the consultant and the client; and how those perceptions can be used to clarify the nature of the: problems confronting the client (Bains, 1976). Thereart: quite a few practitioners of this method. In this method also, the organization organism analogy is quite manifest; the client is ill; the ailment lies not in malfunctioning at the conscious level, but the cause is rooted somewhere deep down atthe unconscious level of the organization. Diagnosis of that mental block and the client's deeper realization of it are what is to be aimed at.

One uses concept like "health". But then what is health? A sense of well being. What is well being? Diverse answers from philosophies are possible. One talks about the guiding, concepts, like dynamic homeostasis, coping ability, balance of integration and differentiation, negative entropy, equifinality, etc. Concepts have been borrowed from sciences like philosophy, physics, chemistry, thermodynamics, ecology and biology.

There is nothing wrong in borrowing. Progress of science has been accelerated by such acculturation. But the fact that so many concepts from different disciplines are in = active use, suggests that more comprehensive and satisfying explanation is yet to emerge:. In its absence, and has to work with what is currently available and work towards finding a better concept. Accordingly, approaches to diagnosis will also be diverse:. But some choice can still be exercised.

The process of diagnosis which has built-in enabling effect, which increases the ability ofthe managers to be better such that they can use the process continually in the cycle"-, ' diagnosis-decision-action-evaluation. This makes the organization self-reliant must better in the long run. The process of diagnosis that does not reduce everything into inputs, outputs and statistics, or into manipulative numbers, may provide a greater depth of vision and understanding about an organization.

The process of diagnosis depends entirely on the theoretical construct that the diagnostician works with. These constructs help one understand an organization, its mode of functioning, its various subsystems, its structure and design and so on. They help in developing models focusing on individual, intrapersonal and interpersonal processes, on group and group processes and on the total organization and its macro processes. The contemporary models indicate the diversity in approaches. But in most cases the range extends from external environmental analysis to the analysis of organizational performance. The diagnostician has some choices; either he can accept any of the existing models and conduct his diagnostic exploration accordingly; or he can build his own model to guide his own exploration. But what is extremely useful is to have some model before the actual diagnosis is conducted. In the absence of a model, one may possibly be at a loss to determine what to look for in the organization and what data to collect. verifying data are amassed, they remain discrete, meaningless and therefore useless.

'The process of diagnosis includes two basic features, divergence and convergence. 'The divergence starts from the focal point of atheory. From the theory constructs areevolved; they lead to operational models; operational models indicate the network of variable to be studied, variable under study indicate the data to be collected. Up to this point, the operational area becomes wider and wider. Once the data have been collected, the process of convergence starts. The volume of data has to be gradually reduced; analyses condense the data and ultimately they converge on the primary focal point-the organizational need. In the process some help is also rendered to theory building.

19.6 Need for Effective Organizational Diagnosis

While it is understood that defining the problem itself is solving the problem partly, effective diagnosis lies in determining what change initiatives are needed in a given context. A well carried out diagnosis guides the development ofobjectives andstrategy for organizational change and therefore its growth and improvement

An effective organizational diagnosis would enable managers to:
a. Understand the current performance levels of organizational subsystems and processes and how they could be improved.
b. Study the perceptions and social psyche of the individuals and groups in theorganization.
c. Break away from tried and tested practices that may have served well in past but may not told good in the current context
d. Plan strategically for the perceived organizational challenges.
e. Avoid pitfalls that often accompany unsystematic implementation of change initiatives, and benefit from experiential learning of managing change

19.7 Organizational Diagnosis: Process, Interpretation and Methods

Organizational diagnosis is a basic prerequisite to develop strategy for systematic improvement of an organization. Such an effort focuses on following two aspects (Beckhard, 1969):

1. Firstly diagnosis of the various subsystems that make up the total organization. These subsystems may be technical and social in nature to include natural "teams" such as top management, functional departments or different levels of management or workforce etc.

2. Secondly, diagnosis of the organization processes that may include decision-making processes, communication patterns and styles, relationships between interfacing groups, management of conflict, planning methods etc. Unlike conventional research, successful diagnosis requires skillful gathering and analysis of data. A diagnostic study can only succeed if it provides its clients withdata, interpretations, and recommendations that ire both valid and useful (Judd, Smith, &Kidder, 1991; Tyson, Ackerman, Domsch, & Joynt, 1988, on validity; Lawler, Nadler, & Cammann, 1980, and Turner, 1982, on evaluative criteria). To meet with these standards, the diagnostic practitioner must fill the requirements of three key facets of diagnosis-process, interpretation, and method and achieve congruence among them Process

The texture of cI ient-consultant relations poses clear requirements for successful diagnosis. To provide genuinely useful findings and recommendations, consultants need to create and maintain cooperative, constructive relations with clients. Also, they need to negotiate successfully their relations with focal and other members of the organization.

19.8 Phases in Diagnosis

Diagnostic studies typically include several distinct phases (Nadler, 1977). As the following description shows, the diagnostic tasks, models, and methods shift within and between phases, as do relations between consultants, clients, and other members of the client organization:

Scouting: Clients and consultants together explore what needs to be studied. While the client presents problems and challenges, the consultant assesses the appropriatetools and techniques of research relevant to diagnose the reconnaissance organizational problems and strengths. Both may agree on the methodology for investigation

Contracting: Consultants and clients negotiate and agree on the nature of the diagnosis and terms and conditions that qualify client-consultant relations.

Study Design: The aims, objectives of the study, methods of study, measurement procedures, sampling, analysis, and administrative procedures etc., are planned.

Data Gathering: Data are gathered through primary and secondary measures to include interviews, personal observations, group discussions, work- shops, questionnaires and analysis of reports, procedures, rule books and other secondary data.

Analysis: The data are organized and analyzed using relevant statistical tools andtechniques and descriptive methodologies such as content analysis, critical incidents etc., and meaningfully summarized. Consultants (and sometimes clients) interpret them and prepare for feedback.

Feedback: Consultants present findings to clients and other members of the organization. Feedback may include explicit" recommendations or more general findings to stimulate ; discussion decision making, and where needed a further study. In order to ensure effective diagnosis of an organization, it is suggested to handle the five processes related issues:

Purpose: How are they defined? What issues, challenges, and problems are to be studied? How the outcomes of the study are to be evaluated?

Design: What organizational features are to be studied, what units and individuals to be included for data gathering, What and how the data are collected and how the design and methods of the study will be perceived by the members of the organization?

Support and Cooperation: What is the support of the top management for the study, analyze what resources will the client organization contribute? What are the attitudes of other members of the organization and of external stakeholders towards the study?

Participation: To what extent the members of the organization are interested and therefore participate in the study in the various phases of gathering, interpreting, and reacting to the data?

Feedback: When, how, and in what format will the study's feedback be given? Who will receive the feedback on the study and what use will they make of it? How thefeedback; can be used for any further study.

Interpretation: The success of a diagnosis depends greatly on the ways that practitioners handle the interpretative task of defining the diagnosed problems, issues for study, methods of study, analyzing results, and preparing recommendations.

While interpreting the gathered data, the following set of questions remain pertinent

1. Interpreting the Initial Statement of the Problem. How does the client initially define the problem, needs, and challenges faced by the organization or the unit where change is planned? How does the client view the desired state of the organization/unit?

2. Redefining the Problem. The problem is to be redefined to have workable Organizational solutions developed. What assumptions underlie the preferred state of the Diagnosis: Issues and Concepts organization need to be made explicit along with defining what constitutes organizational effectiveness. What aspects of organizational life will be the focal points of the diagnosis?

3. Understanding the Current State. How is the problem currently being dealt with? How do members of the relevant groups define the problem and suggest solving it? What organizational resources and strengths are necessary to solve the problem to improve the organizational effectiveness? Who are mostly affected and in what ways among individuals, groups, and components of the organization by the redefinition of the problem and the envisaged approach to solve it?

4. Identifying the Forces for and against Change. What internal and external groups and conditions create pressure for organizational change and what are thesources of resistance to it? How ready and capable of changing are the people and groups who are mostly affected by the problem and its possible solutions?

What are the common interests or needs that could become a basis for working together to solve the problem or resist it?

5. Developing Workable Solutions. Which behavioral patterns andorganizational arrangements, if any, can be most easily changed to solve problems and improve

effectiveness cost effective solutions) ? What interventions are almost likely to produce these desired outcomes?

19.9 Methods

The methods used to gather and analyze data can also determine the success of a diagnosis.

To provide valid resistance, practitioners should employ rigorous methods of enquiry and analysis in keeping with practical constraints imposed by the nature of the assignment. Rigorous methods (which need not necessarily be quantitative) should be consonant with accepted standards of scientific inquiry. It is to ensure results that have a high probability of being valid (Judd et al., 199 1) and replicable by other trained investigators. Non-rigorous approaches too can yield valid results to a certain degree, but may not be independently evaluated or replicated. In assessing the validity of their diagnoses, practitioners need to be especially aware of the risk of false positives that might lead them to recommend changes/actions that in the first place should not have been recommended and could eventually be harmful to the client organization (Rossi & Whyte, 1983).

To achieve reliability (i.e., reproducibility) practitioners can use structured data gathering and measurement techniques, such as fixed-choice questionnaires or observations using a standard coding scheme. Unfortunately, it is very hard to structure techniques for assessing many complex but important phenomena such as the degree to which managers accurately interpret environmental developments.

To produce valid and reliable results, investigators often must sort out conflicting opinions and perspectives about the organization to construct an independent assessment. The quest for an independent viewpoint and scientific rigor should not, however, prevent investigators from treating the plurality of interests and perspectives within the client organization. The plurality may need to be treated as a significant organizational feature in its own right (Hennestad, 1988; Ramirez & Bartunek, 1989). Whatever techniques practitioners use in diagnosis, they should avoid methodological overkill when they need only an estimate of the extent of a particular phenomenon For example, if the intent is to group individuals in to slots of either 'satisfied' or 'dissatisfied' with regard to a procedure or solution, there is no ant1 Intervention need for- a finer discrimination as to the degree of satisfaction or dissatisfaction that one might want to do in an academic research.

19.10 Summary

Consultants need to consider the implications of their methods both for the consulting process and the interpretive issues at hand, in addition to practical and methodological considerations. Thus a consultant might prefer to use non-rigorous methods, such as discussion in workshop settings, which could bring out participants' involvement and commitment to the diagnostic study and its findings. Or they might prefer observational methods to interviews, to minimize the many nitty-gritty concerns that might arise during interviews.

The methods Chosen and the ways that data are presented need to fit the culture of the client organization. In a high technology firm, for example, people might regard qualitative research as too impressionistic and unscientific. On the other hand, members of a volunteer organization might view the use of standardized questionnaires and quantitative analysis as too academic and impersonal.

19.11 Key words

Diagnosis involves defining the episode under study by picking up the relevant "symptoms" arranging them into a pattern, and distinguishing them from other patterns

Analysis: The data are organized and analyzed using relevant statistical tools and techniques and descriptive methodologies such as content analysis, critical incidents etc., and meaningfully summarized

Contracting: Consultants and clients negotiate and agree on the nature of the diagnosis and terms and conditions that qualify client-consultant relations

Scouting: Clients and consultants together explore what needs to be studied. While the client presents problems and challenges, the consultant assesses the appropriate tools and techniques of research relevant to diagnose1 reconnaissance organizational problems and strengths

19.12 Self Assessment Questions

1)Explain the different approaches to organizational diagnosis.
2)1 Describe the process of organizational diagnosis.
3) What are the different domains of organizational diagnosis? Explain.

19.13 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3.Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4.Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
5.Organization Development and change with Mind Taplle, Thomas, Cummings/ Christopher.G.Worky, Cenage Learning India, Private Limited. 2023.

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LESSON -20
FEED BACK THE DIAGONOSED INFORMATION

Learning Objectives
To study the Organizational Development Interventions
To learn the Designing Organization structure
To understand the Principles of Organization structure

Structure
20.1 Introduction
20.2 Organization Development Interventions
20.3 Structural Intervention
20.4 Designing Organizational Structures
20.5 Principles of Organization Structure
    20.5.1. Specialization
    20.5.2. Coordination
    20.5.3. Unity of Command
    20.5.4. The Scalar Principle
    20.5.6 . The Responsibility and Authority Principle
    20.5.7. Span of Control
    20.5.8 Departmentalization
    20.5.9 De-Centralization and Centralization
20.6 Technology and OD Solutions
20.7 Sensitivity Training
20.8 Survey-Feedback
20.9 Survey Feedback in OD
20.10 Process Consultation
20.11 Edgar Schein's Process Consultation
20.12 Team Building
20.13 Developing Winning Teams
20.14 Communication in Teams
20.15 Practices to Facilitate Development of Teams in Organizations
20.16 Summary
20.17 Keywords
20.18 Self Assessment questions
20.19 Suggested Readings

20.1 Introduction

An intervention is a deliberate process by which change is introduced into peoples' thoughts, feelings and behaviors. The overall objective of any intervention is to confront individuals, teams or units of people in a non-threatening way and allow them to see their self-destructive behavior and how it affects themselves and colleagues. It might involves several people who have prepared themselves to talk to the target group that has been engaging in some sort of self-destructive behavior. In a clear and respectful way, they inform the persons of factual information regarding their behavior and how it may have affected them. The immediate objective of an intervention is for the target to listen and to accept help.

Organization Development (OD) intervention would be a combination of the ways amanager can influence the productivity of his/her team by understanding how managerial

style impacts organizational climate and more importantly how to create an environment of high performance.

Most OD interventions are plans or programs comprised of specific activities designed to effect change in some facet of an organization. Numerous interventions have been developed over the years to address different problems or create various results. However, they all are geared toward the goal of improving the entire organization through change.

In general, organizations that wish to achieve a high degree of organizational change will employ a full range of interventions, including those designed to transform individual and group behavior and attitudes. Entities attempting smaller changes will stop short of those goals, applying interventions targeted primarily toward operating policies, management structures, worker skills, and personnel policies. OD interventions can be categorized in a number of ways, including function, the type of group for which they are intended, or the industry to which they apply. W.L. French identified major families of interventions based on the type of activities that they included on the type of activities that they included, such as activity groups included team building, survey feedback, structural change, and career-planning.

20.2 Organization Development Interventions

OD interventions could be carried out at individual, interpersonal, group, inter-group and organizational levels. Examples of interventions on the individual level are: coaching and counseling, management consultation, training and development, role playing, transactional analysis, life and career planning activities. On the person-to-person, dyad/triad level the interventions include shuttle diplomacy, mediation and process consultation. At the group level OD interventions involve team-building, leadership training, communication training and other educative efforts, survey feedback, problem solving consultation. At the intergroup level, organizations use interventions such as shuttle diplomacy and mediation and team-building. At the organizational level the interventions might include combinations of the above, as well as strategic planning, problem analysis, interviews and questionnaires, confrontation meetings and making recommendations for structural or procedural changes (French & Bell, 1984).

20.3 Structural Intervention

Structural interventions are those that are aimed at changes in task, structural and technological subsystems of organizations. Job designs, quality circles, Management by objectives bolstered by knowledge of OD experiments are included under the category of structural interventions. Elements of OD may include finding ways to adapt to the changing context while maintaining and enhancing the organization's integrity and internal integration. OD involves establishing structures, processes and a climate that allow it to effectively manage its important and pressing business (e.g. projects, problems, crises, etc.)while giving adequate attention to strategic issues (e.g., long term development and renewal, planning and envisioning, engaging new opportunities, crisis prevention, etc.)

Structure is an integral component of the organization. Nystrom and Starbuck(1981) have defined structure as the arrangement and interrelationship of component parts and positions in an organization. Structural OD intervention provides guidelines on:
Division of work into activities
Linkage between different functions;

Hierarchy;
Authority structure;
Authority relationships; and
Coordination with the environment.

Organizational structure may differ within the same organization according to the particular requirements. Structure in an organization has three components (Robbins,1989):

Complexity, referring to the degree to which activities within the organization are differentiated. This differentiation has three dimensions:

Horizontal differentiation refers to the degree of differentiation between units based on the orientation of members, the nature of tasks they perform and their education and training,
Vertical differentiation is characterized by the number of hierarchical levels in the organization, and

Spatial differentiation is the degree to which the location of the organization's offices, facilities and personnel are geographically distributed;

Formalization refers to the extent to which jobs within the organization are specialized.

The degree of formalization can vary widely between and within organizations;
Centralization refers to the degree to which decision making is concentrated at one point in the organization.

20.4 Designing Organizational Structures

Some important considerations in designing an effective organizational structure are:
Clarity The structure of the organization should be such that there is no confusion about people's goals, tasks, style of functioning, reporting relationship and sources of information.
Understanding The structure of an organization should provide people with a clear picture of how their work fits into the organization.

De-centralization The design of an organization should compel discussions and decisions at the lowest possible level. Stability and adaptability While the organizational structure should be adaptable to environmental changes, it should remain steady during unfavorable conditions.

20.5 Principles of Organization Structure

Modern organizational structures have evolved from several organizational theories, which have identified certain principles as basic to any organization.

20.5.1. Specialization

Specialization facilitates division of work into units for efficient performance. According to the classical approach, work can be performed much better if it is divided into components and people are encouraged to specialize by components. Work can be specialized both horizontally and vertically (Anderson, 1988). Vertical specialization in are search organization refers to different kinds of work at different levels, such as project leader, scientist, researcher, field staff, etc. Horizontally, work is divided into departments like genetics, plant pathology, administration, accounts, etc.

Specialization enables application of specialized knowledge which betters the quality of work and improves organizational efficiency. At the same time, it can also influence fundamental work attitudes, relationships and communication. This may make coordination difficult and obstruct the functioning of the organization. There are four main causal factors which could unfavorably affect attitudes and work styles. These are differences in:
Goal orientation;
Time orientation;
Inter-personal orientation; and
The formality of structure (Lawrence and Lorsch, 1967).

20.5.2. Coordination

Coordination refers to integrating the objectives and activities of specialized departments to realize broad strategic objectives of the organization. It includes two basic decisions pertaining to:

(i)Which units or groups should be placed together; and
(ii) The patterns of relationships, information networks and communication (Anderson,1988).

In agricultural research institutions, where most of the research is multi disciplinary but involves specialization, coordination of different activities is important to achieve strategic objectives. Efficient coordination can also help in resolving conflicts and disputes between scientists in a research organization.

Hierarchy facilitates vertical coordination of various departments and their activities. Organizational theorists have over the years developed several principles relating to the hierarchy of authority for coordinating various activities. Some of the important principles are discussed.

20.5.3. Unity of Command

Every person in an organization should be responsible to one superior and receive orders from that person only. Fayol (1949) considered this to be the most important principle for efficient working and increased productivity in an organization.

20.5.4. The Scalar Principle

Decision making authority and the chain of command in an organization should flow in a straight line from the highest level to the lowest. The principle evolves from the principle of unity of command. However, this may not always be possible, particularly in large organizations or in research institutions. Therefore Fayol (1949) felt that members in such organizations could also communicate directly at the same level of hierarchy, with prior intimation to their superiors.

20.5.6 . The Responsibility and Authority Principle

For successfully performing certain tasks, responsibility must be accompanied by proper authority. Those responsible for performance of tasks should also have the appropriate level of influence on decision making.

20.5.7. Span of Control

This refers to the number of specialized activities or individuals supervised by one person. Deciding the span of control is important for coordinating different types of activities

effectively. According to Barkdull (1963), some of the important situational factors which affect the span of control of a manager are:
Similarity of functions;
Proximity of the functions to each other and to the supervisor;
Complexity of functions
Direction and control needed by subordinates;
Coordination required within a unit and between units;
Extent of planning required; and
Organizational help available for making decisions.

20.5.8 Departmentalization

Departmentalization is a process of horizontal clustering of different types of functions and activities on any one level of the hierarchy. It is closely related to the classical bureaucratic principle of specialization. Departmentalization is conventionally based on purpose, product, process, function, personal things and place(Gullick and Urwick, 1937).
Functional Departmentalization is the basic form of departmentalization. It refers to the grouping of activities or jobs involving common functions. In a research organization the groupings could be research, production, agricultural engineering, extension, rural marketing and administration.

Product Departmentalization refers to the grouping of jobs and activities that are associated with a specific product. As organizations increase in size and diversify, functional departmentalization may not be very effective.

The organization has to be further divided into separate units to limit the span of control of a manager to a manageable level (Luthans, 1986). In an agricultural research institution, functional departments can be further differentiated by products and purpose or type of research.

In contrast to functional departmentalization, product-based departmentalization has the advantage of:
Less conflict between major sub-units;
Easier communication between sub-units;
Less complex coordination mechanisms;
Providing a training ground for top management;
More customer orientation; and
Greater concern for long-term issues.
In contrast, functional departmentalization has the strength of:
Easier communication with sub-units;
Application of higher technical knowledge for solving problems;
Greater group and professional identification;
Less duplication of staff activities;
Higher product quality; and
Increased organizational efficiency (Filley, 1978).

Departmentalization by Users is grouping of both activities and positions to make them compatible with the special needs of some specific groups of users.

Departmentalization by Territory or Geography involves grouping of activities and positions at a given location to take advantage of local participation in decision making.

The territorial units are under the control of a manager who is responsible for operations of the organization at that location. In agricultural research institutions, regional research stations are set up to take advantage of specific agro-ecological environments. Such departmentalization usually offers economic advantage.

Departmentalization by Process or Equipment refers to jobs and activities which require a specific type of technology, machine or production process. Other common bases for departmentalization can be time of duty, number of employees, market, distribution channel or services.

20.5.9 De-Centralization and Centralization

De-centralization refers to decision making at lower levels in the hierarchy of authority. In contrast, decision making in a centralized type of organizational structure is at higher levels. The degree of centralization and de-centralization depends on the number of levels of hierarchy, degree of coordination, specialization and span of control. According to Luthens (1986), centralization and de-centralization could be according to:

Geographical or territorial concentration or dispersion of operations;
Functions; or
Extent of concentration or delegation of decision making powers.

Every organizational structure contains both centralization and de-centralization, but to varying degrees. The extent of this can be determined by identifying how much of the decision making is concentrated at the top and how much is delegated to lower levels.
Modern organizational structures show a strong tendency towards de-centralization.

Strategic Planning

A dynamic process which defines the organization's mission and vision, sets goals and develops action steps to help an organization focus its present and future resources toward fulfilling its vision. Many organizations today were facing external threats to their survival, whether it be from takeovers, technological obsolescence or global competition. In its infancy, OD would have responded to such challenges by preaching participative management, a not so subtle way of challenging top management to redistribute power to lower levels. During the later years, OD reversed fields to serve the power structure through confining its techniques to lower levels and the bottom line, such as Quality of Work Life (QWL) programs. This subservient role for OD had continued upto recent times where the power structure tolerates and even encourages OD so long as it fine-tunes the existing situation without threatening the essence of the power system. Now, however, that essence is threatened by outside forces. A "new" OD is emerging to deal more directly with helping the power structure to change not only itself but also the strategic alignment of the firm with its environment. OD can, if properly devised, provide a more effective process than political bargaining for assisting the dominant coalition to address pressing strategic issues that have so far eluded formal approaches to strategic planning. OD must engage the most cherished agenda of the power elite- the strategy of the company ,its top management structure for delivering on strategy, and the manner in which they will lead.

20.6 Technology and OD Solutions

Elements of OD may include finding ways to adapt to the changing context while maintaining and enhancing the organization's integrity and internal integration. OD involves establishing structures, processes and a climate that allow it to effectively manage its important and pressing business (e.g. projects, problems, crises, etc.) while giving adequate attention to strategic issues (e.g., long term development and renewal, planning and

envisioning, engaging new opportunities, crisis prevention, etc.). Technologies are also used to enable OD interventions and improve human connectivity and better team work.

20.7 Sensitivity Training

Sensitivity training is a method of laboratory training where an unstructured group of individuals exchange thoughts and feelings on a face-to-face basis. Sensitivity training helps give insight into how and why others feel the way they do on issues of mutual concern.

Training in small groups in which people develop a sensitive awareness and understanding of themselves and of their relationships with others. Sensitivity training is based on research on human behavior that came out of efforts during World War II to ascertain whether or not an enemy's core beliefs and behavior could be modified by the application of certain psychological techniques. These techniques have been gradually perfected over the years by efforts of business and industry leaders to persuade people to buy products, including the radio and television industry to ascertain how an audience might be habituated to certain types of programming.

Kurt Lewin is credited with being the 'father' of sensitivity training in the United States. Laboratory Training began in 1946 when Kurt Lewin and his staff at the Research Center for Group Dynamics at Massachusetts Institute of Technology were training community leaders. A workshop was developed for the leaders to learn about leader ship and to discuss problems. At the end of each day, the researchers discussed privately what behaviors and group dynamics they had observed. The leaders asked permission to sit inon these feedback sessions. Reluctant at first, the researchers finally agreed. Thus the first.

T-group was formed in which people reacted to information about their own behavior. Tavistock Clinic, an outgrowth of the Tavistock Institute of Medical Psychology,founded in 1920 in London. initiated sensitivity training in the United Kingdom in1932, under the headship of a psychiatrist John Rawlings Rees. Dr. Rees conducted tests on American and British soldiers to ascertain whether, under conditions of induced and controlled stress, groups could be made to behave erratically. In particular they wanted to know whether people would let go even firmly held beliefs under 'peer pressure' to conform to a predetermined set of 'popular' beliefs. This Tavistock method was similar to those procedures used in the mental hospitals' to correct the attitudes of prisoners; where, it was called re-education. Sensitivity training evolved in the United States of America; at Stanford's Research Institute's Center for the Behavioral Sciences, at the Sloan School at the Massachusetts Institute of Technology, and at the various National Training Laboratories (NTLs), where concepts popularly known as 'T-Groups' (therapy groups) and 'sensitivity training' were developed.

A controlled stress situation is created by a group leader ('facilitator') with the ostensible goal of achieving a consensus or agreement which has, in reality, been predetermined. By using peer pressure in gradually increasing increments, up to and including yelling at, cursing at, and isolating the holdouts, weaker individuals were intimidated into caving in. They emerge with a new value structure in place, and the goals achieved. The method was refined and later popularized by other schools of behavioral science, such as Ensalen Institute, the NTL Institute for Applied Behavioral Sciences, andthe Western Training Laboratories in Group Development."

Sensitivity training is a type of experience-based learning in which participants work together in a small group over an extended period of time learning through analysis of their own experiences. The primary setting is the T Group (T for training) in which a staff member sets up an ambiguous situation which allows participants to choose the roles they will play while observing and reacting to the behavior of other members and in turn having an impact on them. The perceptions and reactions are the data for learning. T-Group theory emphasizes each participant's responsibility for his own learning, the staff person's role of facilitating examination and understanding, provision for detailed examination required to draw valid generalizations, creation of authentic interpersonal relationships which facilitate honest and direct communication, and the development of new skills in working with people.

Goals of sensitivity training are to allow participants to gain a picture of the impact that they make on others and to facilitate the study of group dynamics and of larger organizational concepts such as status, influence, division of labor, and styles of managing conflict. Some believe that sensitivity is talent, while others believed that sensitivity is something which is not so much developed, as allowed to exist. It is a trait called "empathy". Sensitivity is found wanting in people as they are often preoccupied with their own problems that they don't" have time" for others. Their tension disallows them to pay attention to someone or to relate to what the person is saying, Most believe that sensitivity to others could be developed. Some people have this ability, but most just fake it. Sensitivity training involves a small group of individuals focusing on the here-and-now behavior and attitudes in the group. In short, the individuals discuss whatever comes up naturally in the group. For example, one participant might criticize an opinion expressed by another, and both the opinion and the criticism could become the focus of the entire group. The intent of this process, which might takes several days at 12 hours or more per day, is for participants to learn how they affect other sand how others affect them. In turn, "sensitivity" learning can help participants become more skilled in diagnosing interpersonal behavior and attitudes on the job.

Sensitivity could be enhanced by adopting the following view points:

1) Everybody is entitled to their feelings, no matter how illogical they are;
2) There is no such thing as 'blame'... Everybody involved is equally at fault;
3) A person should not attack, but express their feelings about others' actions
4) Leaving a problem unresolved will make it worse with time;
5) Nobody is perfect which includes one self

Encounter Groups were nontraditional attempts at psychotherapy that offered short-term treatment for members without serious psychiatric problems. These groups were also known as sensitivity (or sensory) awareness groups and training groups (or T-groups). Encounter groups were an outgrowth of studies conducted at the National Training Laboratories in by Kurt Lewin. The use of continual feedback, participation, and observation by the group encouraged the analysis and interpretation of their problems. Other methods for the group dynamics included Gestalt therapy (working with one person at a time with a primary goal of increasing awareness of oneself in the moment, also known as holistic therapy) and meditation. Encounter groups were popularized by people such as Dr. Fritz Perls and Dr. Will Schutz (of the Esalen Institute) and had their greatest impact on the general population in the 1960s and 1970s. These groups fell out of favor with the psychiatric community because of criticism that many of the group leaders at the time were not trained in traditional group therapy and that the groups could sometimes cause great harm to people with serious emotional problems.

20.8 Survey-Feedback

Survey feedback technology is probably the most powerful way that OD professionals involve very large numbers of people in diagnosing situations that need attention within the organization and to plan and implement improvements. The general method requires developing reliable, valid questionnaires, collecting data from all personnel, analyzing it for trends and feeding the results back to everyone for action planning. "Walk-the-talk" assessment: Most organizations have at least some leaders who "say one thing and do another." This intervention, which can be highly threatening, concentrates on measuring the extent to which the people within the organization are behaving with integrity.'

20.9 Survey Feedback in OD

The most important step in the diagnostic process is feeding back diagnostic information to the client organization. Although the data may have been collected with the client's help, the OD practitioner usually is responsible for organizing and presenting them to the client. A flexible and potentially powerful technique for data feedback that has arisen out of the wide use of questionnaires in OD work is known as survey feedback.

Survey feedback is a process of collecting and feeding back data from an organization or department through the use of a questionnaire or survey. The data are analyzed, fed back to organization members, and used by them to diagnose the organization and to develop intervention to improve it.

Survey feedback is a major technique in the history and development of OD. It is a powerful intervention tool and it can reach large numbers of participants. There are five general steps included in a normal survey feedback. The first involves gathering members of the firm in order to plan the survey. This is when the objectives of the survey is determined.

The second step involves administering the survey to all of the organization's members, rather than restricting it to managers and coordinators. Next step would be to analyze the data reported through the surveys. In the fourth step the data is fed back to the organization.

Finally, the firms should hold meetings to discuss the feedback and try to determine what ,if any, action is needed and how to implement it. OD practitioners could be more involved in some of these steps by training someone to go to the firms and help them interpret the feed back and devise intervention plans.

Limitations

There are limitations to survey feedback that OD practitioners should be aware of.
These include:

1. Ambiguity of purpose - there can be disagreement over how the data should be analyzed and returned.
2. Distrust - OD practitioners need to ensure participants that their contributions are confidential.
3. Unacceptable topics - some firms have topics they do not want to explore, which constructs he scope of the survey.
4. Organizational disturbance - this process may disturb the employees, and possibly the whole firm

20.10 Process Consultation

The concept of process consultation as a mode of inquiry grew out of insight that to be helpful one had to learn enough about the system to understand where it needed help and that this required a period of very low key inquiry oriented diagnostic interventions designed to have a minimal impact on the processes being inquired about (Schein, 1988).

Process consultation as a philosophy acknowledges that the consultant is not an expert on anything but how to be helpful and starts with total ignorance of what is actually going on in the client system. One of the skills, then, of process consulting is to "access one's ignorance, "to let go of the expert or doctor role and get attuned to the client system as much as possible. Only when one has genuinely understood the problem and what kind of help is needed, can one begin to recommend and prescribe. Even then it is likely that they will not fit the client system's culture and will therefore, not be refrozen even if initially adopted. Instead, a better model of help is to start out with the intention of creating in insider/outsider team that is responsible for diagnostic interventions and all subsequent interventions. When the consultant and the client have joint ownership of the change process, both the validity of the diagnostic interventions and the subsequent change interventions will be greatly enhanced. The flow of a change or managed learning process then is one of continuous diagnosis as one is continuously intervening. The consultants must be highly attuned to their own insights into what is going on and his or her own impact on the client system.

Stage models which emphasize up front contracting do not deal adequately with the reality that the psychological contract is a constantly evolving one and that the degree to which It needs to be formalized depends very much on the culture of the organization .Lewin's concept of action research is absolutely fundamental to any model of working with human systems and such action research must be viewed from a clinical perspective as a set of interventions that must be guided primarily by their presumed impact on the client system. The immediate implication of this is that in training consultants and change agents one should put much more emphasis on the clinical criteria of how different interventions will affect client systems than on the canons of how to gather scientifically valid information.

Graduate members should be sent into field internships as participant observers and helpers before they are taught all the canons of how to gather and analyze data. Both are necessary, but the order of priority is backward in most training programs.

20.11 Edgar Schein's Process Consultation

"One cannot understand a System until one tries to change It. Literature is filled with the notion that one first diagnoses a system and then intervenes to change it. This basic model perpetuates a fundamental error in thinking, an error that Lewin learned to avoid in his own change projects and that led him to the seminal concept of "action research." The conceptual error is to separate the notion of diagnosis from the notion of intervention.

That distinction comes from scientific endeavors where a greater separation exists between the researcher and the researched, particularly where the physical processes are assumed to be somewhat independent of the psychological processes. The consulting industry has perpetuated this model by proposing as a major part of most projects a diagnostic phase in which large numbers of interviews, questionnaires and observations are made the basis of a set of recommendations given to the client. Consultants differ on whether they feel they should also be accountable for the implementation of the recommendations, but they tend to agree that the consultant's basic job is done with a set of recommendations" for future

intervention." If interviews or surveys are done, the attempt is made to be as scientifically objective as possible in gathering the data and to interfere minimally during this phase with the operation of the organization. If one cannot understand an organization without trying to change it, it would not be possible to make an adequate diagnosis without intervening. Either consultants using the classical model are getting an incorrect picture of the organization, or they are intervening but are denying it by labeling it "just diagnosis."

This risk forces the diagnostician to think about the nature of the "diagnostic intervention" and to apply clinical criteria for what is safe, rather than purely scientific criteria of what would seemingly give the most definitive answer.

OD specialists must approach consulting work from a clinical perspective that starts with the assumption that everything to do with a client system is an intervention and that, unless intervened, will not learn what some of the essential dynamics of the system really are. Starting from that assumption, there is a need to develop criteria that balance the amount of information gained from an intervention with the amount of risk to the client from making that intervention. If the consultant is going to interview all the members of top management, he must ask whether the amount of information gained will be worth the risk of perturbing the system by interviewing everybody and if the answer is "yes," must mak ea further determination of what is to be learned from the reactions of the management tob eing interviewed.

That is, the interview process itself will change the system and the nature of that change will provide some of the most important data about how the system works, i.e .will respondents be paranoid and mistrusting, open and helpful, supportive of each other or hostile in their comments about each other, cooperative or aloof and so on. The best information about the dynamics of the organization will be how the organization deals with the consultant, because his or her very presence is de facto an intervention. Yet the focus in many traditional consultation models is on the "objective data obtained in the interview" with nary a reference to how the interviewer felt about the process and what could be inferred from the way he or she was received.

Human systems cannot be treated with high level of objectivity' is, therefore, an important insight that is all too often ignored in our change and consultation literature. In practice change agents have learned from their own experience that "diagnostic" activities such as observations, interviews and questionnaires are powerful interventions and that the process of learning about a system and changing that system are, in fact, one and the same.

This insight has many ramifications, particularly for the ethics of research and consulting. Many researchers and consultants assume that they can "objectively" gather data and arrive at a diagnosis without having already changed the system. In fact, the method of gathering data influences the system and therefore, must be considered carefully. For example, asking someone in a questionnaire how they feel about their boss gets the respondent thinking about an issue that he or she might not have focused on previously and it might get them talking to others about the question in a way that would create a common attitude that was not there before.

20.12 Team Building

Richard Beckhard, one of the founders of the discipline referred to as organization development gave a systematic framework for the most effective interventions to achieve

positive organization change. Beckhard's team development model serves as a guide for executives and project managers. There are a variety of situations where new teams are formed. The project-based, cross-functional work team has become the basis of industry in the 1990's. Virtual team organization is rapidly becoming the model for flexibility and agility in organizing quickly and effectively to get jobs done. New teams usually have a clear task focus in the early going and there is usually a clear understanding of the short term goals. The new team members are also generally technically competent and there usually is a challenge in the project that will draw on their technical capabilities. While the early activities of a team are clearly focused on task and work issues, relationship problems tend to develop as they do in any human system. By the time these interpersonal issues surface the team may be well along in its activities. The issues may become very difficult and very costly to work out later in the game. There is a significant benefit if a new team takes a short time at the beginning of its life to examine collaboratively how it is going to work together. Beckhard provides a tool to set the stage for most effective team-work and high performance. Team Building as an OD intervention can take many forms. The most common pattern is beginning with interviews and other preliminary work, followed by a one-to three-day session. During the meeting the group diagnoses its function as a unit and plans improvements in its operating procedures.

20.13 Developing Winning Teams

Every organization uses some kind of formal teamwork to get projects done. Many of them create teams up by giving them a vague, imperfect plan, sending them on their own way somehow expecting victory. Even if individual players are talented and creative, teams with firm goals and ways to achieve them alone succeed. Winning teams thrive on structurethat's created from the bottom up, yet guided by strong, confident leadership from the topof the organization. A good team relationship requires nurturing from a strong leader.

Balanced Teams

Teams work best when there is a balance of primary roles and when team members know their roles, work to their strengths and actively manage weaknesses. To achieve the best balance, there should be:

One Coordinator or Shaper (not both) for leader

A Plant to stimulate ideas

A Monitor/evaluator to maintain honesty and clarity

One or more Implementer, Team worker, Resource investigator or Completer/finisher to make things happen

Identify types when starting up teams and ensure have a good balance or handle the im balances

20.14 Communication in Teams

Communication, the most basic of management essentials, is needed to ensure timely feedback and immediate updates in teams. In teams, clarity, frequency and responsiveness are the keys of communication. Most of the communication is non verbal and the verbal forms used need to be clear and delivered often. Regular meetings in a place or via conference call or other technology are essential for teams. Team coordinators should keep the agenda posted electronically in an area the whole team can access and encourage them to add to it. They should make answering team members' emails and phone calls a priority. Although team members hardly need to be affectionate to each other to work well together, some level of personal interaction is crucial for team bonding. Supporting tools that can be obtained inexpensively or free like telephone and email, instant messaging systems, collaboration software, group bulletin boards or discussion areas and chat rooms are all useful for working

and meeting together. Varying methods of communicating and learning which methods work best for which team members are vital steps. One of the most often neglected pieces to building a team is providing a safe place for interaction and discussion without the manager. Teams need a staff room. Members often develop ideas they might not feel comfortable expressing in public. Teams need them and if they ignore this need, they eliminate a chance for a more free change of ideas. Accomplishments must be acknowledged and celebrated, as a group when possible and appropriate. Organizations adopt several ways to achieve this, such as creating a periodic newsletter and email with a section in it for accolades, institution of a peer-to-peer award system, sending greeting cards or gift certificates from websites dedicated to these purposes. The principles of managing teams well are similar to the principles of managing anybody or anything well

Characteristics of High Performing Teams' Members

- ✓ Share a common purpose / goals
- ✓ Build relationships for trust and respect
- ✓ Balance task and process
- ✓ Plan thoroughly before acting.
- ✓ Involve members in clear problem-solving and decision making procedures
- ✓ Respect and understand each others' "diversity"
- ✓ Value synergism and interdependence
- ✓ Emphasize and support team goals
- ✓ Reward individual performance that supports the team.
- ✓ Communicate effectively
- ✓ Practice effective dialogue instead of debate Identify and resolve group conflicts
- ✓ Vary levels and intensity of work
- ✓ Provide a balance between work and home.
- ✓ Critique the way they work as a team, regularly and consistently
- ✓ Practice continuous improvement
- ✓ Creating a team environment

20.15 Practices to Facilitate Development of Teams in Organizations

Organization Development facilitators should enable firms to hire team players by putting all job candidates through demanding office-wide scrutiny. Performance Incentives should be designed in such a manner that they are group-based and performance appraisals should include team working as a criterion. Intra-team conflicts should be resolved in the early stages Unresolved conflicts caused due to employees' mutual bickering can kill office morale and productivity. Organizations are deploying paid ombudsmen to help staffers get along and stifle office conflicts As conflicts often arise in work teams, timely interventions to diffuse tensions and strengthen members' interpersonal commitment should be introduced.

A good team relationship requires nurturing from a strong leader. Leaders might cling to the idea of success being based on individuals, but the value of a great group must not be ignored by the leader. Effective interpersonal interaction would take place among team players communicate more effectively.

20.16 Summary

OD process should result in the development of a comprehensive and sustainable in-house leadership training program that would foster teamwork. The training programs should enable employees to learn how to handle different types of personalities. Towards the completion phase of team built the completion phase of team building intervention, team

members should be capable of avoiding reciprocal rudeness and maintenance of unconditional politeness, escaping the trap of cliques, prevention of polarization of members into opposing factions, perpetrating the value of teams, overcoming the phenomenon of groupthink which occurs out of excessive demand for unanimity and illusion of invulnerability of the group, understanding the power of group synergy and social-facilitation in raising an organization's productivity are quintessential qualities of the members of winning teams.

20.17 Keywords

Structural Intervention- Structural interventions are those that are aimed at changes in task, structural and technological subsystems of organizations. Job designs, quality circles, Management by objectives bolstered by knowledge of OD experiments are included under the category of structural interventions

The Scalar Principle- Decision making authority and the chain of command in an organization should flow in a straight line from the highest level to the lowest

Span of Control- This refers to the number of specialized activities or individuals supervised by one person.

Departmentalization- Departmentalization is a process of horizontal clustering of different types of functions and activities on any one level of the hierarchy. It is closely related to the classical bureaucratic principle of specialization

Sensitivity Training- Sensitivity training is a method of laboratory training where an unstructured group of individuals exchange thoughts and feelings on a face-to-face basis. Sensitivity training helps give insight into how and why others feel the way they do on issues of mutual concern

20.18 Self Assessment questions

1.Briefly Explain the Organizational Development Interventions?
2. Explain the Designing Organization structure?
3. Discuss the Principles of Organization structure?

20.19 Suggested Readings

1. Organization change by Harish Pathak, (2010), Pearson India Publications
2. Organization change and Development by Kavitha Singh 2nd Edition Excel Books 2010
3. Organizational Development French Wendell, Bell Jr cecilith, Vohra Veena , 2017, Pearson Publication
4.Organization Theory, Design, change Gareth R,Jones, Mary Mathew, 2020 7th Edition, Pearson Publication
5.Organization Development and change with Mind Taplle, Thomas, Cummings/Christopher.G.Worky, Cenage Learning India, Private Limited. 2023.

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402HM21

M.A (HRM) DEGREE EXAMINATION
Second Year – Semester- IV
Paper - II
ORGANISATIONAL CHANGE AND DEVELOPMENT

Time: Three hours **Maximum : 70 marks**

SECTION A — (5 x 4 = 20 marks)
Answer any FIVE of the following

1(a). Change
(b). Planned Change
(c). Incremental Change
(d). Behavior change
(e). Learning
(f).Organizational Performance
(g). Career Planning
(h). Knowledge Management
(i). Organizational Development
(j). Organizational Level Diagnosis

SECTION B — (2 X 10 = 20 marks)
Answer any TWO of the following

2). Explain the Concept and Significance of Managing Change?
3). Explain the Types of Change?
4). Explain the HRM Interventions ?
5). Describe the Change Levers and Levels of Change ?

SECTION C — (2 X 15 = 30 marks)
Answer any TWO of the following

6). Explain the Theories of Planned Change ?
7). Discuss the Role of Organizational Practitioner?
8). Explain the Organisational Development Process ?
9). Discuss the collection and Analysis of Diagnostic Information ?