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SELF-LEARNING MATERIAL

ORGANIZATIONAL CHANGE AND DEVELOPMENT

DHR 204

SELF-LEARNING MATERIAL

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Course Title: ORGANIZATIONAL CHANGE AND DEVELOPMENT

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204 ORGANISATIONAL CHANGE AND DEVELOPMENT

UNIT 1: INTRODUCTION

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1.1 OBJECTIVES

The objective of this unit is to put forward the concept of organizational change; the different types of change that exist; the different factors that create the need for change and the levers of change.

1.2. THE CONCEPT OF CHANGE

Nothing in this world is permanent. Everything undergoes a change. Thus we can say that change is inevitable. Organizations too should change with time and according to the demands of the environment. Those organizations that change with time progress and sustain whereas those who do not, cease to exist that is they die out. Hence there is a greater need to understand the concept and elements of change.

Change is understood as making the form, nature, content etc. of something different from what it is or what it would be if left alone. Thus the change is visible.

Change means the new state of things is different from the old state.

Change also means dissatisfaction with the old and belief in the new. Dissatisfaction can arise out of perceived deficiency in an existing system to fulfill the required expectations or to respond to environmental pressures and technological impacts.

Change underlies a qualitatively different way of perceiving, thinking and behaving to improve over the past and present.

1.3 ORGANIZATIONAL CHANGE

Organizational Change is the process by which organizations move from their present state, which is undesired to some desired future state to enhance their effectiveness (refer fig.1.1). The process through which a proposed change is effected is treated as 'Management of Change'. It requires quite some time to reach the future desired state and effort on the part of the organization and its members to reach that state because there are ample chances to revert back to the original state if change is not managed well. Thus change has to be continuously monitored and managed to derive the desired results.

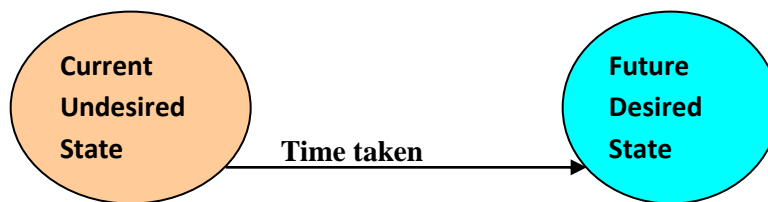


Fig1.1 Depicting Organizational Change

Organizational change can be highlighted with the following example

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Organizational Change in FIAT

Organizational change increases the competency in the various areas of FIAT such as the acquisition of the sound technology, organizational routines and processes, and improvement in the labor skills of the employees. Change is inevitable and it is more possible if the organization has a strong faith towards the management. Change affects every area in their organization and the use of an effective leader in FIAT bounds to involve the people, communications, appropriate timing of the strategies, and the organizational culture.

Organizations that aim for the improvements are mainly related in the application of the organizations' best practices. However, it is also identified that the successful organizations are capable in measuring the gaps most especially in the area of the management. The ability of the organization's collective staff is measured in the capabilities of the people to deliver the performances. Also, this performance can be the foundation or the guidance of the entire organization towards the changes and the on-going improvement of the organization and thereby, be effective in meeting their goals and business objectives. As a sequential factor of improvements, the organizational change in FIAT and other organizations in various industries made it possible through incorporating or aligning the entire organization with the use of the common language, same processes and appropriate methodology, benchmarking, and giving value to the continuous improvement .

The awareness of the leadership unto what is mostly need in the organization is very critical in the entire management. In addition, the leaders are expected to influence their followers into different degrees such as satisfaction, commitment, and effectiveness in the organization. The transformation of the organization can also transform the type of leadership up to the point of empowering the propellers. In the challenges available due to the globalization, the transformation or organizational change is also considered as the act of empowering all the elements that lies in it. Under the ongoing changes, it is expected that the people are supervised with a good leadership that can also empower their ability and stay in focus.

The complexity involved in transforming an organization is coordinated with the generation and dissemination of the technological capabilities. Economic changes can also affect the organization and through understanding the process and interactions of the elements in the organizational changes, FIAT can proudly introduce the new approach in manufacturing industry. The change is the major effect in transformation and it is also fused in various innovation processes.

1.4 TYPES OF CHANGE

Change can be of different types depending on why it had taken place, when it had taken place and its extent. It can be

- **Evolutionary** also called first order change, here change is incremental in nature and the whole organization is not effected. Changes that are carried out in organizations with the progress of time are examples of this kind. This may include addition of new activities, introducing new products and services, certain changes in the policies of the organization, setting up new goals etc.

- **Revolutionary or transformational** also called second order change, here change is radical in nature and is carried out in the organization. Almost all the dimensions of an organization get affected by this change. There is a change in how the organization works and why. Even there are changes in the vision, mission of the organization apart from the objectives and methodologies. The organization presents a new look after undergoing this change.

- **Unplanned or accidental or reactive**

Here change had just happened without being planned. It is more so in response to an event or a series of events. These changes are attempted when the demand for a company's products/services registers an increase or decrease, or a problem/crisis occurs. Technological changes for example, force organizations to invest in modern technologies. A competitor's action might as well force an organization to react in a certain way by adopting a different strategy.

- **Planned/ deliberate or proactive**

Here change is carried out in expectation of an event or a series of event in future. Thus change is proactive in nature. The organization deliberately takes up change and chalks out plans to bring that change.

- **Magnitude of change can be large or small**

This refers to the extent of change, which can be large, having a greater impact on the organization and the stakeholders, or can be small, having a low impact.

- **Change can be fast or slow** based on how soon the organization requires it. Usually reactive changes are fast as compared to proactive change.

1.5 NEED FOR CHANGE

As already mentioned organizations need to change in order to cope up with the demands of the environment and to sustain itself. The various forces of change are discussed below.

1.5.1 FORCES OF CHANGE

Organizations are systems that exist in the context of an external environment, in a dependent relationship with it and in interaction with it. Any factor in the environment that interferes with the organization's ability to attract the human, financial and material resources it needs, or to produce and market its services/products becomes a force of change. Also internal to itself, a number of forces operate in the organization that could facilitate or hinder its functions, processes and actions. Thus an organization is subject to two sets of forces: those that arise from the external environment, and those that arise from the internal environment. The forces of change that are generated from the external environment are the political, economic, technological, government, competitive forces and also the changing customer needs and preferences. The forces from the internal environment are system dynamics (alignment and relationships among various subsystems in the context of an organization), structural change, individual and group expectations, inadequacy of administrative process, technology used, work culture, values, management philosophy, human capability enhancement, profitability related issues, resource constraints etc.

The aforementioned forces create pressure on the organization to change.

Change can happen for a variety of reasons.

Linsay and Patrick have identified six compulsions of Change. Let us try to understand them.

- ***Successful international competitions have challenged organizational designs and human resource management practices.***
This implies that the organizational designs and human resource management practices that were adopted earlier may not be suitable to run the organization successfully today. For example most of the organizations now prefer leaner and flexible organization structures. The human resource management practices are more linked to the strategy of the organization.
- ***Successful organizations place high priority on proactivity and systematic understanding, and on responding to current and future customer needs both external and internal.*** Organizations have realized that their success and sustenance does not depend on only what they offer in the market but in targeting the right customers, and finding and fulfilling the needs of these customers.
- ***Workforce mobility and diversity.***
Today the availability of work opportunities is not restricted to a certain region. Organizations around the world try to attract talents from all over the world to work with them. Competent people are attracted by the compensation and the benefits provided by them. This has led to 'workforce mobility', which has led to diversity at work places, with more and more people from different cultures, languages, professional background, ethnic background, countries etc. joining the workforce of an organization.
- ***The revolution in technology*** has transformed the organizations. For example we can see the changes that are brought about by information technology or digital technology. With a click of a mouse enormous information can be gathered and recorded, instant communication can be established etc. This has enabled to increase production with lesser number of people. Organizations have transformed from being labour intensive to capital intensive.
- ***Creation of a learning culture***
Today people working at various levels in the organization are better equipped with professional knowledge, hence referred to as knowledge workers, who are willing to get themselves updated. Thus the organization too would wish to create a learning culture so that obsolescence of human resource is minimized.
- ***To proactively and systematically understand and respond to current and future internal customer needs***

The individuals and groups working in the organization are referred to as internal customers who also have certain expectations that need to be fulfilled for achieving their efficiency at work.

1.5.2 REALIZING THE NEED FOR CHANGE

Though the need for change might be there but at times the organization may not be aware of it or may believe that it is necessary. By the time they realize that change is actually needed, at times it is quite late causing harm to the organization. As depicted in figure 1.2, the need for change comes with a change trigger emerging in the environment creating an impact on organizations. It destabilizes the existing business situation. For example the launch of a new product by a competitor or coming up with a new business strategy can take away the market share of an organization. Here we can cite the example of 'Air Deccan' which fulfilled the dreams of millions of Indians to travel by air by offering their air tickets at a very competitive price thus revolutionizing air fares in aviation industry in India. Air Deccan's strategy acted as a 'change trigger' forcing other players to change.

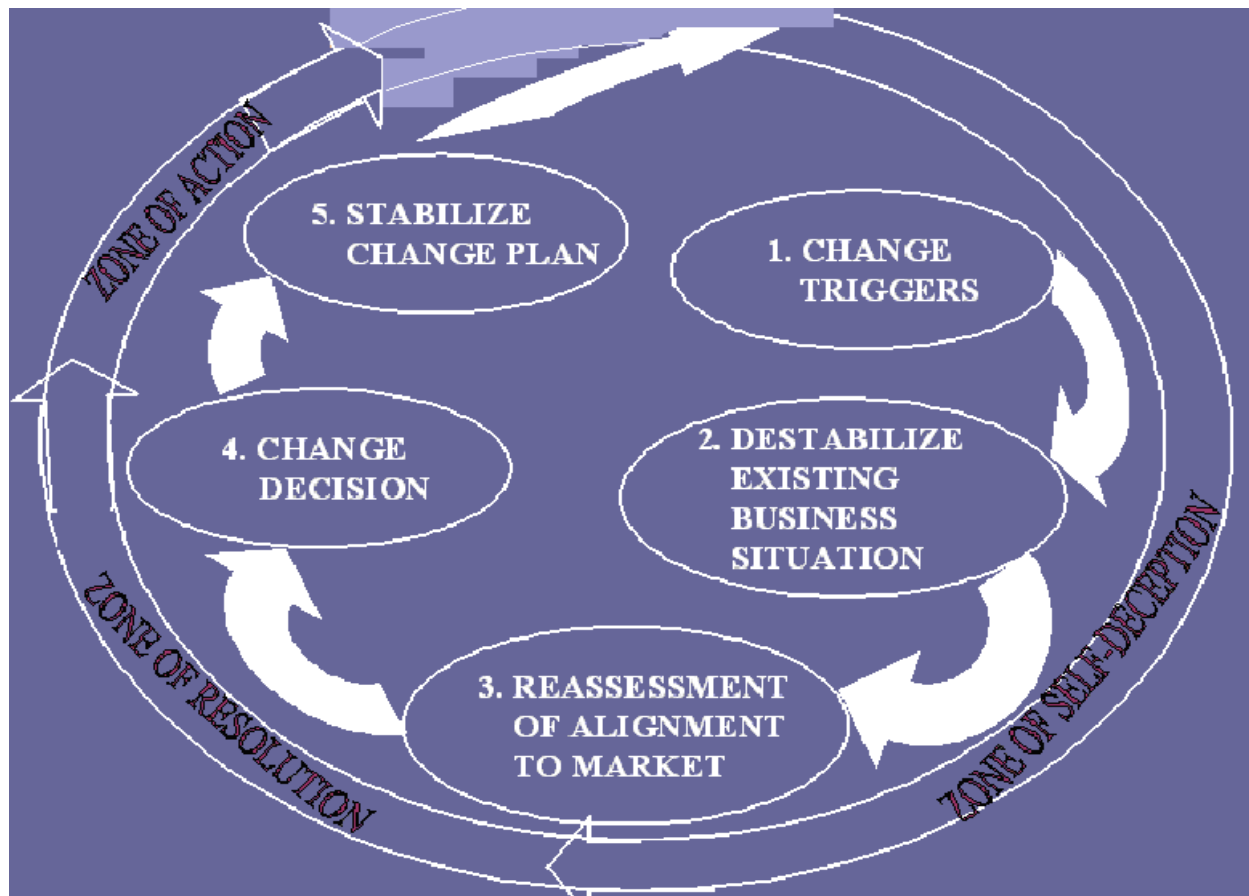


Fig 1.2 Realizing the need for Change

Once the business situation is destabilized organizations try to reassess their alignment to the market. If they find fault in this alignment they decide to change and chalk out plans to deal with this change. They finally choose the best plan for implementation. The whole process of this realization to change can be divided into three zones, namely the 'Zone of self-deception', where people deny that change has really happened and there is a need to change, the 'Zone of Resolution', where they finally agree that change is

required and the 'Zone of action', when they actually carry out change. The longer they stay in the 'Zone of self-deception' more is the harm that can be done to the organization. Sooner the 'Zone of Resolution' and the 'Zone of action' the better is for the organization.

1.6 THE CHANGE LEVERS

These are the areas normally where change is brought about. Figure 1.3 below depicts some of the common areas or dimensions where changes are carried out. These are related to marketing, technology, costs and quality. They would like to take advantage of their market by changing their marketing strategy; adopt new technology to achieve economy or produce more or achieve efficiency; take up cost cutting strategies; or focus on enhancing the quality of their products and services or how they carry out their business. But different organizations will have their own areas of priority. These are aspects of change ('what'). But one needs to know how change is brought about. This is done by laying down an appropriate strategy and structure to support the change desired; using suitable human resource practices to manage people; and the most importantly practicing a suitable leadership to lead and manage the change. The leadership is at the core of any change initiative of an organization.

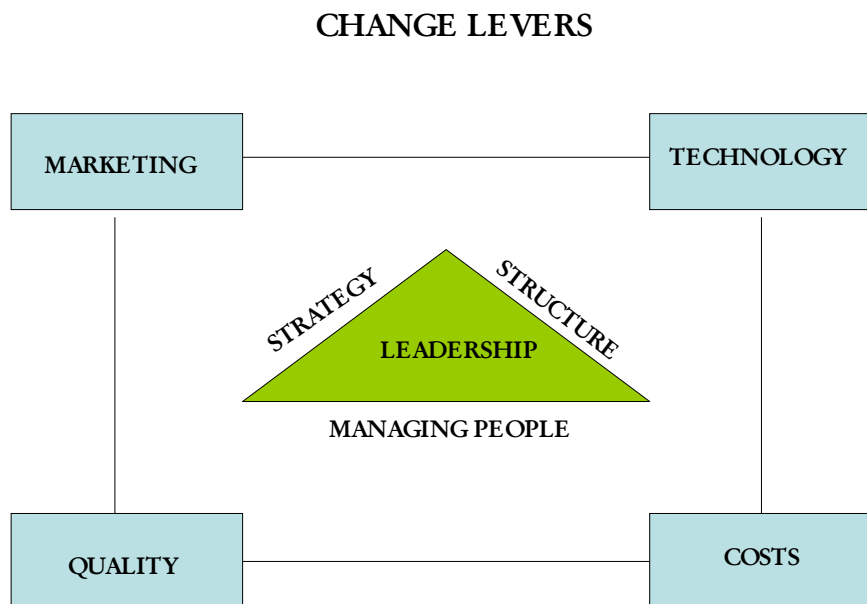


Fig 1.3: The Change Levers

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Example of managing change

Mitsubishi's transformation from a small liaison office in Delhi to a full fledged, independent entity may seem like a natural transition, but there was much more to it than meets the eye. HR played a key role in smoothing out several explicit and implicit people issues. The inside story...

Someone has rightly said that the only thing constant about change is change itself. This is inevitable - and we in Mitsubishi are no exception to the change process. In this process of change most staff had undergone new experiences to which they had never been exposed before. The reactions have been varied- at one end there has been happiness while on the other, a sense of uncertainty. It is this blend of joy and sorrow that has helped Mitsubishi see through the most difficult period of its existence in India since the past seventy years. The company is very optimistic and feels that the necessary changes will help its growth and survival in India in times to come.

Mitsubishi set up its operations way back seventy years ago in Kolkata in a small way. In 1965 it moved

its head office to New Delhi and since then it has stayed in New Delhi. Since its inception Mitsubishi has functioned in the form of liaison office of the head office which has been based at Tokyo. As a liaison office, Mitsubishi in India enjoyed certain benefits. Being a cost center, it was only accountable for expenses incurred in its operations. Staff members were not under so much pressure to perform, because of the liaison status. Targets were qualitative and to measure the achievement was subjective. Rewards were seniority-based and salary was paid for sitting more through overtime rather than for giving results. Results were not tangible since the role of business staff was only to facilitate business rather than give results. Operating costs were high. Expensive cars were maintained, five-star hotels were used for stay during business trips, expensive restaurants were used to entertain guests, air travel was the mode of travel. As long as head office bore the expenses, it didn't matter at all.

The nature of the company's operations did not require very skilled or professionally qualified staff. This was mainly because as a liaison office the main job functions involved transfer of business information to Tokyo head office. Most of the employees were graduates with skills in shorthand and typing. Their primary job was collecting data from various sources, or taking notes in shorthand and sending them through the telex machines. The company was very comfortable with such profile of staff who sat late hours to complete the work (and in the process got paid for sitting late).

The world over, the concept of profits became a key issue. Companies started to evaluate their performance using new financial tools and techniques. Mitsubishi was no exception. Working of liaison offices came under close scrutiny and finally the head office decided that such offices should be self-sustaining. The head office could not afford to maintain the operations of the liaison offices anymore. As a pilot project in 1996, it was decided that an independent entity be established in India by the name of MC International India Pvt. Ltd. which was a 100% subsidiary of the parent company. This was the first step towards establishing an independent office. The office had staff strength of just 3. The time given to make it fully operational by the head office to this pilot project was 4 years. If it failed to be economically viable, it had to be closed down. New staff was recruited. The profile of the staff was different... they were professionally qualified in disciplines as varied as chartered accountancy, business management and foreign trade.

The new company started doing business as any other trading company and it performed fairly well achieving first a star status and further super-star and so on. The head office was keenly observing the progress and also supported it from all angles whenever required. In 2000 the term of the pilot project ended. The management requested for some more time. The head office, after considering the good performance so far, agreed to extend the tenure for a further period of two years. The old staff of the liaison office was keenly observing the new company. Most were of the opinion that it would not survive! It was quite natural for them to be pessimistic because they knew that if they had to move over to the new company, things would be different. An invisible divide was observed between the old and new company. Most talked in terms of 'we' and 'they'. Recruitment was also on in the liaison office, but now the profiles of the new recruits even in the old office were different. MBAs, from premier institutes were recruited. Likewise, professionals in the field of international marketing and trade made lateral entry into the company, things that were unheard of in the past. This intervention was done keeping in mind that the future belonged to the new company.

Other factors like cost control measures were already on. The new company did not have the concept of overtime for executives. To be more precise, it did not pay its executives for sitting late. It had limited cars, mostly Indian which was in sharp contrast to the ones owned by the liaison office. Travel was curtailed and other cost-control measures were adopted. In 2001 the new head of Indian operations joined. He had only one agenda... a 100% change from the liaison status to the subsidiary. At this juncture the staff in the liaison office could figure out that there were very little options available to them. Either they had to change or quit. The hard work for the total transformation began about 10 months in advance. Staff, although important, was only one part of the whole process; assets, finance, customers, books of accounts etc. were other crucial areas that need to be addressed.

The company (liaison office) was in a dilemma on what to do with so many staff that was not required in the new subsidiary. There were a substantial number of regular drivers and office bearers, the company believed in owning a large fleet of cars and a large number of peons to serve the Japanese and senior Indian staff. There was an equally large number of business and executive staff. It was decided that the new company could do without chauffeur services and peons. Going by the Japanese concept of lifetime employment, it was difficult to do away with their services. The drivers and peons were offered an attractive VRS package which amount to two and a half month's gross salary multiplied by the years served. Those with long service were benefited. Those with lesser years had some objections. They felt that it was unjust on the part of the company to pay them less merely because of their less tenure. The company offered them alternative employment in the new company on almost same terms and conditions. However, the parting compensation offered was different-it was one and a half times gross salary for every year served. The logic was that the company was offering employment and this was a kind of parting compensation to take of his any personal needs or outstanding dues. There were severe differences of opinion between the two groups. The older employees did not want the younger ones to stay on. So they came with a suggestion that everybody should be getting two and a half times salary and re-employed in the new company. The management refused. In such a condition they refused to take the VRS. It became a stalemate situation. Finally the management had to take a decision-retrenchment. When they came to know about this, all of them (some by choice, some by coercion by peers) opted for VRS. A couple of drivers and peons withdrew their application and opted for re-employment. The management permitted them to do. In the process two things happened... firstly, the objective of downsizing was achieved, and secondly, some good support staff could be retained.

The biggest challenge for the management was to move the executive staff from the liaison office to the subsidiary. The easiest option would have been to en masse transfer them to the new company. This would have also meant that considerable liabilities would also move over to the fledgling company - something that it could not bear. By liabilities it meant, the gratuity, the accumulated leave, etc. which would amount to a large sum of money.

The management decided to write off all liabilities in the liaison office and start afresh in the subsidiary company. The liaison office was willing to take a one-time hit to pay off all dues to its staff as on date. For this, all staff members had to resign and obtain fresh appointment in the new company.

Staff was hesitant to do so. It was a matter of trust. What if they resigned and the company did not re-appoint them? What if the management took this opportunity to selectively do away with the services of those it did not require? It took a lot of convincing and educating them since it was a matter of survival for the new company. The management assured that all staff would be absorbed in the new company. Staff was the company's asset and the company could not afford to lose them. It was agreed that first new appointment letters would be issued before staff actually put in their papers in the liaison office. Staff also complained about losing seniority. The management explained that in private companies and in the new HR concept, seniority had no significance. Seniority mattered where there was time-bound promotion in practice and also where annual increments were based on pre-determined pay scales.

The staff also complained that the continuity of service would be broken. To this, the management explained that since it was the same company it did not matter. Past service will always be considered when deciding career plans like promotions, job assignments etc. To compensate for the break in service management decided to pay some ex-gratia in addition to the normal compensation. This amounted to half month's salary for each year of service. Staffs with long years of experience were happy since the compensation received was very reasonable in addition to guaranteed job. Those having lesser years were a bit unhappy.

Service rules of the subsidiary company were also revised. This also made the staff unhappy. Certain benefits like soft loans were done away with. The management explained with facts and figures that assuming a situation where all staff was to be give loans, the financial situation of the new company would be badly affected. The new company had to borrow capital from the market at a higher rate of

interest. If such money was granted to staff in the form of soft loans, the financial condition of the new company would be adversely affected. The management requested the staff to exercise patience till such time that the company could reach break-even status. The staff could understand the position of the new company and agreed to the management's request.

Some staff expressed that such changes made them feel that they were 'not wanted' by the company. They were assured that it was not so and that they had to realize the fact that the dynamics of a profit-center were very different from that of a cost-center. Even in our own home when the going gets tough, the family tightens its belt! There were a couple of staff members who still wished to resign and in their cases the management took a very generous stance and they were offered handsome compensation.

In this process of change which took almost one year (since the change was done in three phases), the HR function's role was most crucial. However, the top management aligned itself with the HR team and was always in the forefront which helped the HR team very much. Most of the communication was conveyed directly by the top and the HR function acted as a strong second-line support. Continuous explanations were made through e-mails and face-to-face talk in all the main offices of the company. It was stressful but very meaningful and a wonderful learning experience for the HR team. The task seemed all the more difficult because this exercise was quite in contrast to the traditional Japanese concept of life-time employment and the events that took place contrary to the existing culture of the company.

In the rapid world of change where organizations are changing overnight this experience is one of its own kinds. HR colleagues would have experienced different kinds of experiences and would have become wiser by the day. The fact is change is unavoidable and the first communication that should go down the line is to live with it. This change in the mind-set will help ease

Source:<http://www.citehr.com/46435-change-management-example.html>

1.7 CONCLUSION

Change is inevitable. Organizational change is about moving from the present undesired state to a desired future state. Organizations that change with time survive, and those that do not change may cease to exist. Organizations must try to identify the change triggers and realize the need for change at the appropriate time. Change can be big or small, fast or slow, and proactive or reactive. But there is a necessity to manage change in the organizations effectively. It requires understanding the demands of change from the external as well as internal environment; decide about the areas or levers of change and align the systems, strategy and practices accordingly to support this change.

Questions

1. What is change?
2. What is Organizational change? Discuss with suitable example?
3. Why organizations need to change?
4. What are the compulsions of change?
5. What are the different types of change?
6. Which type of change is the best one? Discuss.
7. What are the change levers and how they are taken care of while managing change?
8. How realization of change and finally the decision and acting upon change comes. Discuss the various stages related to this.
9. Analyze how Mitsubishi carried out change of its operations in India? Do you think they were successful? If yes, why?

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UNIT-2: MONITORING THE ORGANIZATION'S ENVIRONMENT FOR CHANGE

UNIT STRUCTURE

2.1 OBJECTIVE

2.2 INTRODUCTION

2.3 OPEN SYSTEM PLANNING MODEL/ OPEN SYSTEMS THEORY

2.4 ANALYZING ENVIRONMENT

2.4.1 MONITORING THE ELEMENTS IN THE ENVIRONMENT

2.5 CONCLUSION

2.6 QUESTIONS

2.1 OBJECTIVE

At the end of this unit a student should be able to understand the significance of various elements in an organization's environment both internal and external that create a demand or need for change and how to tackle them. Thus this unit focuses on the system i.e. organization's interaction with the environment.

2.2 INTRODUCTION

By now you can well say that for understanding the need for change one also require to understand an organization's environment both internal and external that create a demand or need for change. First of all it is important to understand about the organization also referred to as the 'system, and its relation to the environment. Only then one can effectively carry out interventions related to change.

2.3 OPEN SYSTEM PLANNING MODEL/ OPEN SYSTEMS THEORY

Organizations are open systems in active exchange with their environments. A system refers to a set of elements standing in interaction. It is an organized, unitary whole composed of two or more interdependent parts, components, or subsystems, and delineated by identifiable boundaries from its

environmental suprasystem. Hence, while taking a systems approach, one begins by identifying the individual parts and then seeks to understand the nature of their collective interaction.

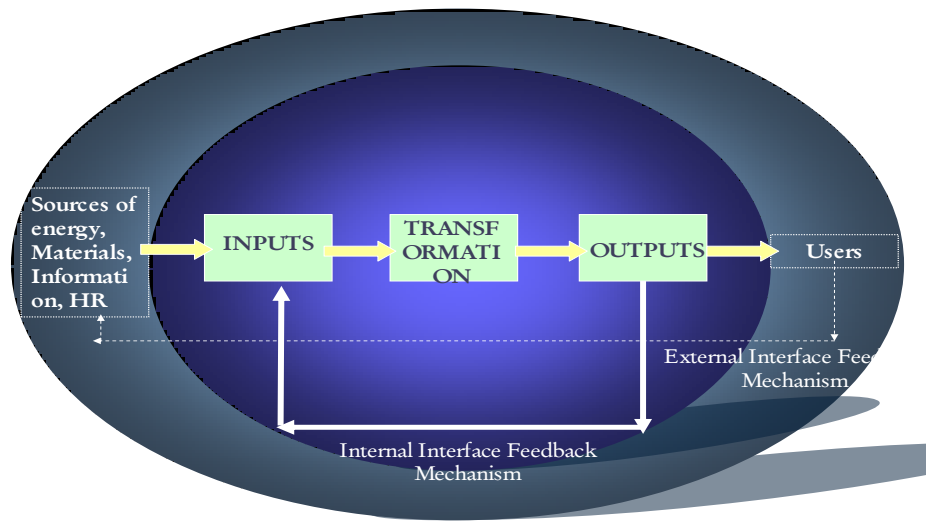


Fig.2.1 Open System Planning Model: System in interaction with environment

Organizations are open systems. According to Katz, Kahn and Hanna, all open systems are input-throughput-output mechanisms (refer fig.2.1). Systems take inputs from the external environment in the form of energy, information, money, people, raw materials etc. These inputs are transformed to outputs via a throughput, conversion, or transformation processes. These outputs are put forward to the external environment as products targeting at the end users. Each of these three processes –‘input-throughput-output’ must work well if the system is to be effective and survive. Boundaries of the Open Systems are permeable as they permit exchange of information, resources, and energy between system and environment. These Open Systems have purposes and goals that must align with those of the environment. For example, the organization’s purpose can be to gain profit by producing and selling a certain kind of output. But if the end users in the external environment does not require that product and reject it the organization’s purpose and goal is not fulfilled posing a threat to its existence. Thus, gathering the right kind of information is essential so that the alignment of what the end users want or aspire to get and what is provided by the organization in the form of product or service is achieved. Systems require two types of feedback, negative and positive. Negative feedback will give you the information whether or not the output is in course with your purpose and goals, for example production of a certain quantity of the output, say 10 lakhs of Television Sets. Positive feedback will give the information whether or not your purpose

and goals are aligned with the environmental needs. It will tell you whether or not your customers want that kind of Television Sets. Thus 'internal interface feedback mechanism will provide feedback on operations within the internal environment, and 'external interface feedback mechanism' will provide feedback about the external environment. These information can be very valuable to the organization for producing the right kind of products for the end users and achieve successfully its goals.

2.4 ANALYZING ENVIRONMENT

You are aware that forces of change are in the environment. That implies that demands for change or pressures for change come from the environment. It is necessary to decide whether an organization should bring pro-active or reactive change. This decision will be based on the information that would be gathered from the environment and analyzed appropriately so that it can help managers to take the right decision at the right time. This calls for regular scanning of the environment to identify the change triggers. But the question is how to do this? Whereas there are several ways of doing this, organizations can benefit by identifying the following-

2.4.1 MONITORING THE ELEMENTS IN THE ENVIRONMENT

The environment is comprised of several elements, for example the competitors, customers, marketing intermediaries, legislation/government/ regulatory bodies, suppliers, employees, service providers, technology etc. Organizations need to monitor the changes that have taken place and also demand for change created in or by these elements in order to chalk out change related strategies. It can be done in the following way.

The changes that have taken place or are likely to take place: The elements in the environment that are vital to the operations/ effectiveness/performance of the organization are identified first. Usually the changes in these are likely to affect the organization to a great extent. Now one needs to find out data about the changes that had taken place in these elements for a certain period in the past, say, during last three years (refer fig.2.2). An analysis of this data is to be carried out so that it gives the right information regarding the changes that had happened and the extent, and the reasons thereof. Use of computers or Management Information System can be immensely useful in this context. Some trends may also be visible showing pertinent relationship between different factors impacting change. For most of the organizations the four most important elements are the customers, competitors, suppliers and regulations. You have come to know from the 'Open Systems Theory/ model' that organizations can thrive only when their goals align with that of their **customers**. A product or service however good it might be may not be accepted if it is not in accordance with the needs and wants of the customers that is their target segment. Customers are greatly influenced by external factors like promotional campaign, movies, fashion etc. that change their aspirations regarding a product or service. The composition and profile of this segment may also change with time, especially when the organization goes for a growth/expansion strategy. With the passing of time their characteristics also change, for e.g. the toddler will grow into a teenager, the teenager

to a youth and so on and so forth. Thus this element need to be monitored routinely to find out what they need and what changes had happened for a certain period in the past. Further, it is equally important to try to find out what changes may happen in this segment in future, say coming three years. Customer surveys will help to gain all these information, which in turn will guide an organization to focus on the right kind of products and services that have greater chances to be accepted by the customers. At the same time it is also essential to focus on the right type of the customers.

	CUSTOMERS	COMPETITION	SUPPLIERS	REGULATION
LAST THREE YEARS				
NEXT THREE YEARS				

Figure 2.2: Elements in the Organizational Environment

An organization's success and failure also to a great extent depend on the kind of competition or the competitors' strategies. Organizations can build their strategies to gain competitive advantage only when they are aware of what changes that their major competitors have brought about in the past, say three years, and predicting what changes they might bring about in the future. This requires a lot of environmental scanning and market information including market intelligence.

Organizations that are in the manufacturing sector are very much dependent on the suppliers for their success in terms of producing the right kind products within the stipulated time and incurring cost efficiency. If the suppliers do not or cannot supply a vital item at an appropriate time or charge high price for the materials it can affect the organization significantly. As a result the unit will suffer leading to a higher cost of production and at times production stoppage also. Thus there is a delayed release of the products in the market and may be at a higher price. All these would mean losing competitive advantage. Infact the ordering of the raw materials/input should be properly planned so as to take care of the critical items. Thus the changes that had happened in this component for the last three years and the coming three years at least can be very helpful.

Organizations have to operate within the regulatory framework or regulations put forth by different regulatory agencies that exist in the external environment. Hence, firms have to continuously search for changes in various regulations that have taken place and also are likely to take place. These changes can affect them to a greater extent. For example changes in export – import policies, income tax, subsidies, tax concession, various laws etc.

The above analysis will help the organizations to better understand the characteristics/patterns of these elements. Some trends can also be drawn. This will in turn help them to predict changes and manage it well at an appropriate time.

But an organization seldom has just one customer, competitor, supplier or one regulation to deal with. It may have different types of customers for different products or services; several competitors for the same or different products or services. It may have to depend on several suppliers for the raw materials or different kinds of inputs and follow different regulations. Monitoring and gaining information about all these might seem to be a herculean task, hence organizations must try to identify those who matter most for the organization. In other words, those specific players in each element that have an impact on its sustenance must be identified and monitored continuously for changes. A useful way is to identify the critical dependencies (refer fig.2.3). The top three under each element for example can be identified and the extent of dependence of the organization on each one i.e whether it is high, moderate or low can be determined.

A garment manufacturing company may have three types of customers for its products namely, the toddlers, teenagers and women. Teenagers can be again categorized into ‘teenage boys’ and ‘teenage girls’. Thus it needs to determine according to the profit earned or units sold, the extent of its dependencies. The category on which it is highly dependent must be taken care of so that it does not lose its market share to the competitors. The needs and wants of this category must be understood.

IDENTIFYING THE CRITICAL DEPENDENCIES

EXTENT OF DEPENDENCE			
CUSTOMER			
1.	LOW	MEDIUM	HIGH
2.	LOW	MEDIUM	HIGH
3.	LOW	MEDIUM	HIGH
COMPETITORS			
1.	LOW	MEDIUM	HIGH
2.	LOW	MEDIUM	HIGH
3.	LOW	MEDIUM	HIGH
SUPPLIERS			
1.	LOW	MEDIUM	HIGH
2.	LOW	MEDIUM	HIGH
3.	LOW	MEDIUM	HIGH
REGULATION			
1.	LOW	MEDIUM	HIGH
2.	LOW	MEDIUM	HIGH
3.	LOW	MEDIUM	HIGH

Fig. 2.3: Identifying critical dependencies

The same way, you may have several competitors, but you may be highly dependent on a few or one of them for devising your strategies. Whereas several suppliers might be engaged by you to supply different types of inputs, but your extent of dependence on each one will be different. Care must be taken that those on whom you are highly or moderately dependent must be managed well. It might be that on one of these you are dependent for supply of some critical items. It can be also that only one of them accepts deferred payment, whereas others require to be paid on delivery of the items. Hence, you are very much dependent on the former. Firms though have to continuously adhere to all the pertinent regulations, but specific ones need to be monitored for any changes that have been brought about in them.

Once this analysis is done, organizations are better prepared to handle changes without being harmed.

Read►

Responding to a changing marketing environment:

A Castrol case study

1: INTRODUCTION

Lubricating oil is the vital component of every internal combustion engine. From a small passenger vehicle to a Formula 1 racing car, from a heavy-duty truck to a cargo ship, from a lawn mower to a Supercar designed to go faster than any other on the planet, there is a Castrol lubricant designed specifically for the job.



In fact, Castrol's products play a major part in our everyday lives, supplying oils, transmission fluids, antifreeze, coolants, greases and brake fluids to suit differing local needs all around the world. They offer the benefit of more than a century of engineering excellence to help people and businesses get the best from their machines.



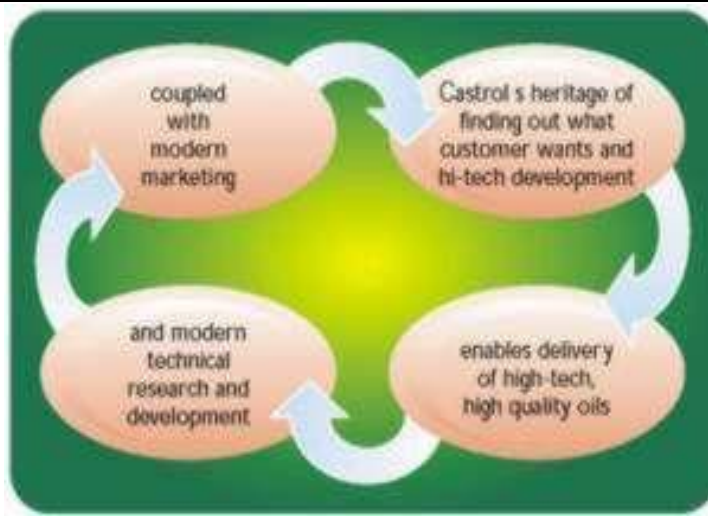
Castrol is a member of the BP Group and is the lubricant arm of a truly global petroleum company. It is also an iconic British brand that has permeated virtually every facet of the global market.

2: Building on Castrol's heritage



On the 19th March 1899, Charles 'Cheers' Wakefield set up an oil company in England. Ten years later, he produced a new lubricant that would revolutionise transport in the first half of the twentieth century. He called the new oil Castrol. To this day this name is synonymous with premium quality, high performance and leading edge technology in lubrication. (see positioning map below).

The success of Castrol owes much to the original philosophy of its founder. Charles Wakefield drew on the help and encouragement of his customers in developing his new Castrol Oils because he had the foresight to see that working in partnership was the best way to achieve success for both parties.



This case study shows how Castrol continues with this tradition of having a marketing focus so that it is best placed to meet the challenges of a dynamic global marketing environment. By identifying market trends Castrol is able to build on its specialist expertise as a dedicated producer of oils to apply the latest technical developments to giving customers the best possible product.

3.The changing marketing environment

All businesses operate within an environment of change. One of the most important aspects of change is change in the market place as customers become more demanding.

Marketing is the process which involves identifying existing customer needs and requirements and with anticipating future changes. It is therefore a dynamic discipline. The marketing environment for most, if not all, products changes regularly. The challenge facing the marketer is, therefore, to find out as much as possible about this changing environment so that the business can respond in an appropriate way. This remains true for any company regardless of the industry, from a bottle of car oil to a Fast Moving Consumer Good (FMCG) such as a bar of chocolate or a packet of soap powder.

Because Castrol products are designed to complement high quality engines the company works closely with Original Engine Manufacturers (OEMs) such as BMW, VW/Audi, Ford, Jaguar and Toyota to develop high quality lubricants that are tailored to meeting the requirements of modern engines.

Castrol's marketing research therefore involves finding out detailed information from both the OEM's and motor vehicle users. The desired result of the research is to produce and supply the best quality high technology oils to meet the needs of modern engines.

The marketing environment in which Castrol operates is constantly changing because:

- New engines are continually being developed by the engine manufacturers with new specifications and requirements.
- Government regulations regularly change. For example in recent years UK and European regulations increasingly require engines to be cleaner and to help to create a cleaner environment.
- The world is becoming wealthier, and increasingly modern consumers require more sophisticated motoring products. More and more consumers are buying more luxurious and sophisticated vehicles. To complement this purchase they require the best quality oils.

Castrol's response to these changes is to provide oils which are technically superior to anything else on the market, and which are market focused.

4. Market segmentation

Castrol operates in a tough competitive world in which winning businesses are those which best understand the needs of the market. Castrol knows that the route to success lies in providing the best products for different segments of the market. One way that the market is segmented is by product category - motor cars, motor cycles, trucks, leisure boats, and aircraft.

Another way is to segment according to geographical region. Although Castrol is a global supplier of products enabling it to maximise economies of scale (i.e. lower production costs), it also recognises the importance of understanding the specific needs of customers in distinct regional and local markets. The Castrol organisation is therefore divided up into a number of geographical markets.

These different areas are characterised by groups of consumers with different needs, for example:

- Incomes in the United States are higher than in Western Europe and cars are typically larger. Here Castrol will supply the oils that are required by the car manufacturers that supply to North American markets.
- Roads and climate are different in Central Africa than in Northern Europe. For example, in Central Africa, motor vehicles may have to contend with bumpy roads, blazing heat and tropical thunderstorms.
- In Northern Europe car engines have to be designed for frozen winter conditions.

Another type of segmentation is by the type of vehicle user.

- A young affluent city worker may want to purchase a car (and hence car engine) that is a status symbol.

- In contrast, a first time driver, or young person may want a car which represents their growing independence.
- A young family may want a car which enables them to transport a growing family in a safe and comfortable way.

Castrol needs to carry out research to find out the best types of oils to suit the vehicles for these different market segments. This involves close partnership with the Original Engine Manufacturers to provide the high-tech oils to meet the needs of high quality engines.

Castrol's guiding principle is to provide the oils that give users peace of mind in different contexts. For example, the purchaser of a high specification car will want to know that the engine can cope with a range of challenges - from long distance driving, city driving, and even in some cases to racing (Castrol has been the number one oil of choice for racing driving for many years). A young mother who takes her children to playgroup will want the peace of mind of knowing that her car will not break down - so having the right oil is a key consideration of safe motoring.

5. A constantly evolving product portfolio

The challenge facing Castrol today is to provide the right products in the right markets. Castrol is therefore continually adjusting its product portfolio in line with new technological developments. This is best illustrated by means of a number of examples.

Increased emphasis on synthetic oils

Everyone knows that oils have a mineral base and that crude oil is extracted from the ground or from under the sea. However, modern high performance engine oils have an important synthetic content i.e. additional ingredients that improve performance.

High quality oils involve increasing quantities of man made ingredients rather than crude content. The proportion of high quality additives is continually increasing and Castrol is at the leading edge of this development because of its emphasis on research into new technology. Castrol provides the best possible solutions to meet the needs of different market segments.

New oils at Castrol are technology-driven

In the past the emphasis was on developing oils that protected vehicle engines. Today Castrol focuses on bringing to market products that improve engine performance and lengthen the life of the engine.

By pioneering new technology even at the molecular level, Castrol has introduced a new generation of engine protection. For example, GTX Magnatec uses 'Unique Molecular Attraction' or UMA technology. UMA molecules are attracted to the metal surfaces of the engine and form a protective layer. This protective layer means that Magnatec starts protecting as soon as the engine starts from cold and continues to protect while the engine warms up. There are products also specifically designed for diesel engines, such as GTD Magnatec as well as engines with high mileages (75,000 miles) such as GTX High Mileage.

Research into emissions

Castrol is also proud of its research into environmental solutions. The company invests heavily into producing oils that reduce harmful emissions through fuel economy technology.

Products fit for purpose

Castrol provides a full range of product SKUs, i.e. an item that you would see for sale on a store shelf. For example, Castrol GTX Magnatec comes in a 4.5 litre bottle that is used for a complete oil change by a specialist garage, as well as a 1 litre bottle which enables knowledgeable motorists to 'top up' their engine oil as required.

In line with market changes, Castrol has not only focused on updating the product portfolio, but also the way the organisation goes to market, i.e. the commercial strategy. To offer better products to consumers, it is important that Castrol becomes more marketing driven, i.e. that it creates product offerings that meet the needs and desires of consumers.

To do this, Castrol has recruited marketeers from traditional FMCG companies to bring different perspectives and ways of working. For example, the gathering of 'Consumer Market Research' from which 'Customer and Consumer Insights' can be derived.

This helps an organisation get closer to consumers and understand the unique needs and desires across different geographies and cultures. Castrol wants to ensure that everything the company does is tailored to meeting the needs of its many types of consumers across the globe.

6. Conclusion

Castrol has long been known and appreciated for technically advanced automotive lubricants. Their huge involvement in the motor industry reaches right across the spectrum from testing products in the harsh arena of motor racing to providing the vital lubricants that consumers all buy for their cars.

The key to this is that they have a real understanding of the driver's relationship and involvement with their car - from those desiring top performance, to those seeking reassurance and reliability. You'll find that Castrol plays a major part in satisfying everyday motoring needs, supplying engine and gear oils, transmission lubricants, brake and clutch fluids, antifreeze, coolants and greases - all formulated to meet differing local requirements and conditions.

Castrol's 'Winning Formula' is a combination of technological superiority, excellent marketing and sales strategies and constantly adapting to changes in market and consumer needs.

Source:<http://businesscasestudies.co.uk/castrol/responding-to-a-changing-marketing-environment/conclusion.html#ixzz27O5n8UpX>

Assignment►

Identify an organization and illustrate its inputs, outputs, and transformational processes.

Provide details on how the internal processes are managed and controlled.

2.5 CONCLUSION

From the above discussion it is quite clear that understanding an organization's environment is very vital. Only when the various elements in the environment, its needs and the extent of organization's dependence on various players and elements of the environment are understood, an organization is likely to be successful in handling change. This calls for a greater effort on the part of the organization.

2.6 QUESTIONS

1. Discuss the 'Open Systems model'. Why is it significant?
2. Why is it necessary to align the purposes and goals of the organization with that of the environment?
3. How the environment can be analyzed?
4. Who are the significant players in the environment and how can they influence the organization?
5. What is the necessity of identifying the critical dependencies of the various elements of the environment?

204 ORGANISATIONAL CHANGE AND DEVELOPMENT

UNIT 3: MANAGING CHANGE

UNIT STRUCTURE

3.1 OBJECTIVE:

3.2 INTRODUCTION:

3.3 MANAGING CHANGE

3.3.1 DIAGNOSIS OF CHANGE

3.3.2 CHANGE MANAGEMENT

3.3 CONCLUSION

3.1: OBJECTIVE:

The objective of this chapter is to understand management of change through several models and also the change process.

3.2: INTRODUCTION:

By now you are aware that change is inevitable. Organizations have to undergo change in order to survive. The forces both from external as well as internal environment create demand for change. In the previous unit you have read about the different compulsions and types of change. Whatever may be the reason for change, it needs to be managed well.

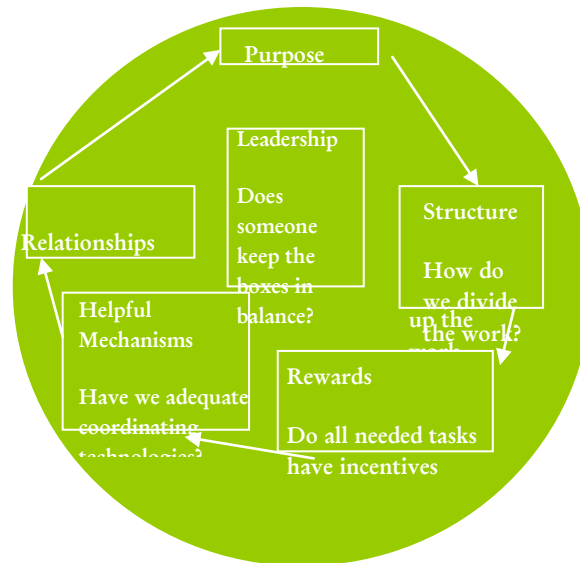
3.3: MANAGING CHANGE

Before trying to understand management of change, it will be useful to diagnose the reasons behind the need for change. Like when a patient goes to a doctor, the latter must diagnose the reason behind the sickness (symptoms) in order to treat well. He or she may have different methods/ approaches to treat the patient, but will use the most suitable one based on the diagnosis report. In the subsequent section i.e 3.3.1 we will be discussing the Six Box Diagnostic Model by Marvin Weisboard, which is a very useful model to diagnose the need for organizational change in organizations.

3.3.1 DIAGNOSIS OF CHANGE

Weisboard's diagnostic model tells practitioners where to look and what to look for in diagnosing organizational problems. As depicted in the fig 3.1, he identifies six critical areas in an organization, each of which is taken to be in a box namely, *purpose* i.e why the organization is existing; the *organizational structure* i.e how they have divided their work/tasks and who is reporting to whom etc.; *rewards* i.e. whether they have included incentives in relation to the tasks that are to be performed; *helpful mechanism* i.e whether the organization has the right kind of technology for carrying out their tasks effectively; the *relationships* amongst the people in the organization and the technology that they use and finally the central box which is leadership i.e whether someone is keeping all the five boxes in balance. Practitioners must try to examine each of these boxes to look for the signs of trouble. If some problem is in any of them it is likely to create problem for the organization. According to Weisboard, a practitioner/consultant must try to understand and examine the appropriateness of both the formal as well as informal aspect of each box. The formal system defines the official ways things are supposed to happen and the informal system is the way things actually happen. Thus only when the problems can be pinpointed specific change related strategy can be adopted, which has a greater likelihood of being successful.

Fig: 3.1 Six Box Diagnostic Model by Marvin



3.3.2 CHANGE MANAGEMENT

The Change Process

Organizational change can occur at three levels:

- At the individual- change in an individual's attitudes, values, skills and behaviour
- Structure and systems- change in work design, reporting relationships, information systems, the reward system, etc.
- Organizational climate- change in leadership style, interpersonal relationships, decision making etc.

As discussed previously change implies moving from the current undesired state to a desired future state. While doing so it undergoes certain stages, the process being referred to as the change process. An effective change management calls for managing this change process effectively thus referred to as Change management process.

Before we go to Change management process let us try to understand the change process through Kurt Lewin's 3 stage model of change process that includes the following three stages, namely,

- i. Unfreezing the old behaviour or situation
- ii. Moving to a new level of behaviour
- iii. Refreezing the behaviour at the new level

Stage 1: Unfreezing:

The purpose of unfreezing is to increase the awareness of employees about the discrepancies currently prevailing in their behaviour (between the desired behaviour and the current behaviour), the systems (e.g the new desired organization design and the current design), and the organizational climate, and to align them to the need for change. It includes-

- a. Disconfirmation of the present state which creates pain and discomfort
- b. Creation of guilt and anxiety due to this disconfirmation

- c. Provision of psychological safety i.e a person must feel comfortable in dropping the old behaviours and acquiring the new ones.

Stage 2: Moving/Changing through cognitive restructuring (helping the client to see, judge, feel and react to things differently by-

- a. Identifying with a new role model, mentor etc. who could motivate the person to change
- b. Scanning the environment for relevant information so as to get evidence that change is desirable.

The changes initiated must be perceived as solutions to the problems identified during the unfreezing stage. This helps the people and thus the organization to move towards the desired state.

Stage 3: Refreezing: Help the client to integrate the new point of view into

- a. The total personality and self-concept i.e totally absorbing the change
- b. Significant relationships- does the players in the organization's social environment approve the change? It also emphasizes on seeing to whether the change fits well in the social surroundings.

Once the organization reaches a new desired state it must stabilize itself in that state of equilibrium with the use of the organizational support mechanisms such as the desired structure, culture, policies, norms, resources and rewards. Thus the new behavior becomes habitual, which includes developing a new self-concept & identity and establishing new interpersonal relationships.

Lets us look at the following example in the context of Lewin's ideas.

Apply Lewin's Three Steps

(source: <http://education-portal.com/academy/lesson/lewins-3-stage-model-of-change-unfreezing-changing-refreezing.html>)

To better understand Lewin's change model, let's take a look at the following example.

Kiddie Chiropractic has decided to switch from using hand-written medical records to electronic ones. All of the staff at Kiddie have always relied on hand-written medical records when performing their jobs and have expressed concerns about switching to the new electronic format. However, Kiddie management believes that making the switch to electronic records will increase efficiency and reduce the amount of time that it takes to record patient information.

First, Kiddie management will have to spend time **unfreezing** the employees' belief that the old way of recording patient records is adequate. The management team will need to communicate the perceived benefits of the new electronic method, making sure to demonstrate how the pros outweigh the cons. The staff will need to understand how much more efficient the new method of electronic recording will be in comparison to the old hand-written process.

Next, Kidde management will need to transition into the **changing** stage by implementing the new electronic recording system. This will mark a time of uncertainty in the Kiddie staff, making it necessary for the management team to offer training and support as the employees become familiar with the new electronic system.

Finally, Kiddie management will need to **refreeze** the new method of recording into the organization's culture, making certain that the staff recognizes the electronic system as the new norm and the manner in which they will record patient information going forward. The management team should also recognize the efforts made by the staff members to learn and use the new system by offering them some sort of reward and praise.

Read ► Change management process

Source: <http://www.change-management.com/tutorial-change-process-detailed.htm>

The change management process is the sequence of steps or activities that a change management team or project leader would follow to apply change management to a project or change. Based on Prosci's research of the most effective and commonly applied change, most change management processes contain the following three phases:

Phase 1 - Preparing for change (Preparation, assessment and strategy development)

Phase 2 - Managing change (Detailed planning and change management implementation)

Phase 3 - Reinforcing change (Data gathering, corrective action and recognition)

These phases result in the following approach as shown below in Figure 3.2.

Phase 1 - Preparing for change

Define your change management strategy

Prepare your change management team

Develop your sponsorship model



Phase 2 - Managing change

Develop change management plans

Take action and implement plans



Phase 3 - Reinforcing change

Collect and analyze feedback

Diagnose gaps and manage resistance

Implement corrective actions and celebrate successes

Figure 3.2 - Change Management Process

Change Management Models

Different people have put forward different models/ways to manage change. In this section an effort will be given to discuss some of the approaches in handling change well. One needs to remember that whatever might be the approach but few things are common, like the vision, the focus on the results, involving the stakeholders in the change management process in order to gain their commitment, leader's ability in leading change, creating a support system etc. are some of the important ones.

Fig. 3.3: Management of Change



In the fig 3.3, the organizational components that are supposed to be significant in the management of change are the results that are aimed to achieve, the organizational vision, flexibility in handling change, the management of various issues and commitment of people. We will discuss these one by one.

Vision

The most pertinent question that you may ask when the change is on is-

Do people know what the point of the change is?

Many a times you will get the answer as negative because they are not aware as to where they are heading to and actually what things specifically need to be changed.

Thus we say that vision is a view of a preferred future state; it is a focus for direction of effort. Vision includes the following sub- parts.

Vision = core ideology + envisioned future

Core ideology is composed again of the following sub- parts.

Core ideology = core values + core purpose

Core values are those values that are embedded deeply in the organization and the people in the organization strongly adheres to them in their work practices. These are never compromised.

Core purpose is the basic purpose behind the existence of the organization.

Envisioned future is composed of the following sub- parts.

Envisioned future = audacious goal + vivid description

Audacious goals are very bold goals that an organization sets for itself and its people.

For example to become the number one company in the software industry.

vivid description describes the vision or the dream.

Let us see the vision statement of infosys

“To be globally respected corporation that provides best- of - breed business solution, leveraging technology, delivered by best- in- class people”.

Can you point out to the different components of vision as discussed above in this statement?

In order to lead change and attain the desired state the vision should be good enough. It is only then that an organization can benefit from change.

Characteristics of a good vision

- Should be grounded in business knowledge. That means it must relate to the business needs of the organization.
- It must be concrete, something which is not half baked. It should be strong enough .
- It must show a clear destination as to where to proceed.
- It is not focused on short term but longer term
- It relates to desires and needs of people in the organization.
- It must be significant for everyone
- And above all it is important to the leader

Commitment

The change management initiative must gain the commitment of its people, only then it is likely to be successful. Do they feel that it is worthwhile ?

Management

Are the change plans and all activities related to change are in place? Is it organized and executed properly?

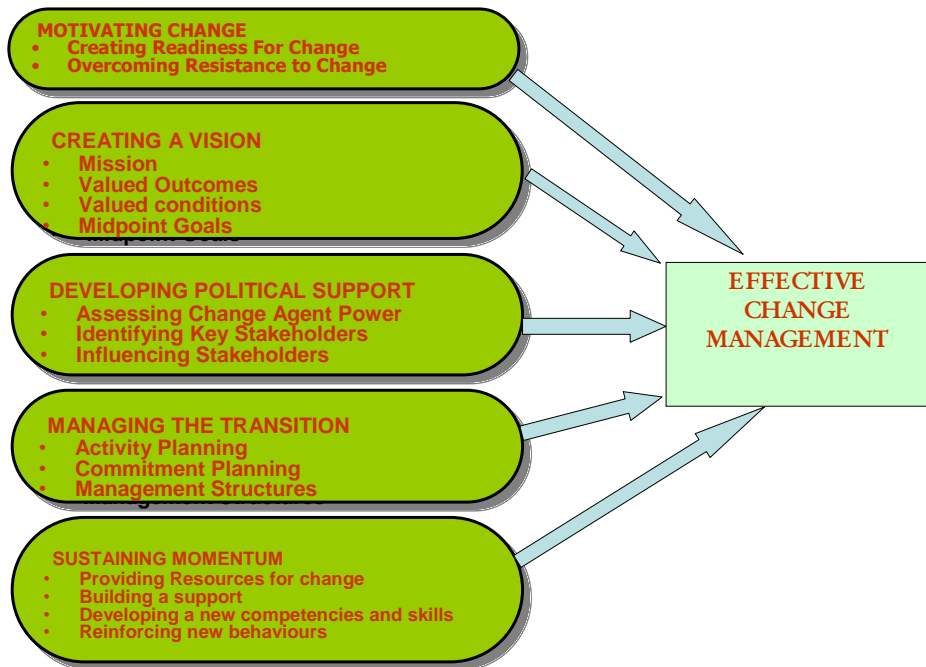
Flexibility

Is it possible for the people involved to make any refinements, to make the change easier or better? Rigidity might hinder the implementation of change related plans.

Cummings and Worley’s model of change management

Fig. 3.4

Activities Contributing to effective Change Management



According to Cummings and Worley, for achieving an effective change management the different activities have to be managed well. They had divided these activities into five broad heads namely, motivating change, creating a vision, developing political support, managing the transition and sustaining momentum. While motivating change, they stressed upon firstly *creating readiness for change*, that can be done by three methods: sensitize people about the pressures of change, that is why change must occur; showing the discrepancies between the current undesired state of affairs and the future desired state of affairs; communicate widely to the stakeholders the positive aspects of change. Secondly, they stressed upon *overcoming resistance to change*. Managing resistance is possible through-

- *Education and communication*: people should be aware of what the change is about and what are the benefits of changing and the disadvantage of not changing. There should not be closed communication rather it should be open and shared. Information related to the positive impact of change carried out by other comparable organizations can make people more ready to change and resist less.
- *Participation and involvement*: It is about involving the organizational members directly in planning and implementation of change. This way they will be kept informed about the change and also feel a part of the process rather than something that is thrust upon them. They are also likely to be more accountable.
- *Negotiation and rewards*: when it is seen that the employees are not responding to participation and involvement, it might be a good strategy to negotiate with them regarding their expectations in return of their support. Promise of rewards at times can also motivate them and hence reduce the likely resistance to change.
- *Coercion*: when none of the above strategy seems to work and when change is very much necessary and time is less, one must force change upon the organizational members.

The next set of activities is *creating a vision*. As discussed previously, a vision is a picture of the desired future state. Well defined vision reduce uncertainty, serve as a goal to energize behaviour, show that the future will be beneficial, and convince that this future is attainable provided people put their efforts in that

direction. The mission and values of the company show the right way of doing the things under pre-defined conditions.

Developing political support is critical in successful change efforts. Those individuals and groups that are powerful need to be convinced that the change is good for them or at least will not significantly harm them, otherwise there is likelihood of resisting and even sabotaging the change efforts. It is important for the change agent to assess his or her power in the process. Further it is very essential to identify the key stakeholders that need to be influenced and convinced for participating in the change process.

While transforming the organization from the current state to the desired future state, it has to pass through a transition state. Managing this transition is important as that would accelerate the change towards desired future state. Three sets of activities help in doing so, they are activity planning, commitment planning and management structures. *Activity planning* involves specifying the sequence of activities, events, and milestones that must occur during the transition. This serves as the roadmap for the organizational members and as a checklist for measuring progress.

Commitment planning involves getting the requisite support and commitment from key players in the organization whose energy, leadership, resources etc. are needed to make the transition succeed. Without this commitment realization of the vision within a particular time frame is not possible.

Management structures involve setting up the most appropriate structure that would support change.

Finally once the desired state is attained, it is important to sustain the momentum so that the organization does not revert back to the original state. This would require providing the essential resources for change to sustain the new state and reinforcing new behaviours. This will also require developing new/improved competencies and skills to manifest the new behaviour for example enhanced performance through a new/improved technology.

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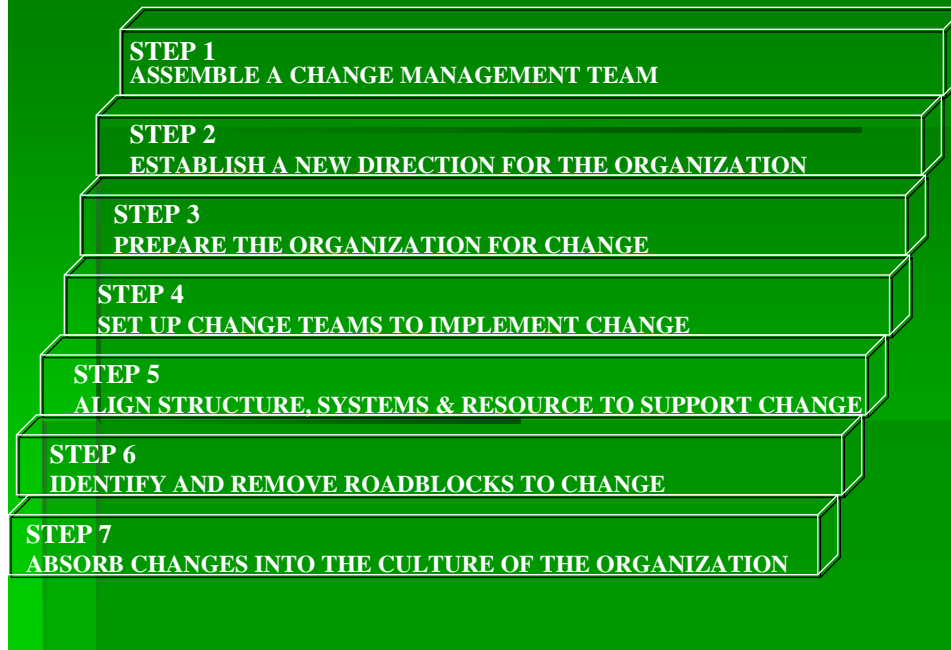
http://www.ucisa.ac.uk/~media/Files/members/activities/ITIL/servicetransition/change_management/ITIL_an%20example%20change%20management%20procedure%20pdf

Implementing Change

How to proceed in the change process? This is one of the most pertinent questions that one is likely to ask. It will be useful to lay down a sequence of steps for doing this. When the organization decides to change, first step should be to assemble/form a change management team. Definitely they will be the stakeholders. The team members must be carefully chosen so that they represent all the departments that would be affected by change and can be important players in the change process. They should be dynamic and eager to play their roles. This team alongwith the consultants/external change agents with the willingness of the top management should be able to establish a new direction for the organization. Once this is done they must prepare the organization for change. That is similar to creating readiness for change as discussed previously. Once that is done in order to encourage adequate participation change teams in different sections/departments/plants/units are formed that can accelerate the change process. At this stage it is essential to align structure, system and resource to support change. In the process there might be several obstacles to move forward in the desired direction, and hence it is essential to identify and remove the roadblocks to change. Once change is realized it is important to absorb the changes into the culture of the organization and it becomes the new order of work practices.

Fig. 3.5 Steps in Implementing Change

SEVEN STEPS TO IMPLEMENTING CHANGE



3.3 CONCLUSION

Change management is about managing change to realize business results. But it is not a stand-alone process for designing a business solution. Change management is also the processes, tools and techniques for managing the people-side of change. Change management is a necessary component for any organizational performance improvement process to succeed, including programs like: Six Sigma, Business Process Reengineering, Total Quality Management, Organizational Development, Restructuring and continuous process improvement. It is about moving to a desired future state from the current state. Laying down a concrete vision and communicating that to the stakeholders is significant. Convincing the organizational members and seeking their support in the change process can really help. Once the new state is reached, sustaining the new behaviour is vital.

Task►

Try to find out how some of the well known organizations brought about change. For example you can take the case of ITC to name one. There are more. What was the previous state and what is the new state. Who were the important players? Did they face resistance? How that was tackled? Could they benefit from change? How could they absorb the change into the culture of the organization?

Read► Case

http://www.virginiadot.org/business/resources/const/0707_Implementing_Change.pdf

Questions

1. How change can be diagnosed? Discuss.
2. Critically examine Lewin's 3 stage process for change.
3. Discuss the change management process?
4. How change can be managed well?
5. Examine the elements of 'Vision'. Find out the vision statement of an organization and analyze it.

6. Throw a light on the important activities that need to be managed well in order to achieve an effective change management.
7. Discuss the steps in implementing change.

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UNIT-4: ORGANIZATION DEVELOPMENT

UNIT STRUCTURE

- 4.1 OBJECTIVES
- 4.2 INTRODUCTION
- 4.3 CONCEPT OF OD
 - 4.3.1 DEFINITION OF OD
- 4.4 OD PROCESS
- 4.5 DIAGNOSTIC ACTIVITIES
 - 4.5.1 ORGANIZATIONAL DIAGNOSTIC MODELS
 - 4.5.2 MAIN SIMILARITIES
 - 4.5.3 MAIN DIFFERENCES
 - 4.5.4 APPLICATION AND USEFULNESS
- 4.6 ACTION PLANNING
 - 4.6.1 WHAT ARE THE CRITERIA FOR A GOOD ACTION PLAN?
 - 4.6.2 WHY SHOULD YOU DEVELOP AN ACTION PLAN?
 - 4.6.3 WHEN SHOULD YOU CREATE AN ACTION PLAN?
 - 4.6.4 HOW TO WRITE AN ACTION PLAN?
- 4.7 STABILIZATION
- 4.8 SUMMING UP
- 4.9 RECOMMENDED READINGS
- 4.10 QUESTIONS

4.1: OBJECTIVES

On completion of this module you should be able to:

- Understand the concept of organization development.
- Visualize how OD process works in an organization.
- Learn how to make action plan and perform diagnostic activities in an organization.

4.2: INTRODUCTION

The nature and needs of organizations are changing dramatically. Correspondingly, the profession of organization development (OD) has been changing to meet the changing needs of organizations.

4.3: CONCEPT OF OD

When an individual develops, organization develops automatically. OD refers to development of following elements of the organization:

1. Developments of individuals, teams and the organizations.
2. Development can only take place when an appropriate knowledge is achieved and passed on to subordinates. Hence it is necessary to study various fields of studies that contribute to the field of OD. In this context, study of social and industrial psychology, economics, politics, commerce etc. is very much important. OD envisages acquiring skills through already proved models and applying the same for improvement based on situations on hand.
3. As part from the above, OD is related to study of organization structures, organization designs, job analysis and management of change if it is required.
4. Organizations are dependent on each other for their very survival and overall growth. It is therefore necessary to study other organizations with particular reference to their culture, perception, attitude and the climate they have established. Quality of work life is an important factor in this respect.
5. As per Wendill L. French and Cecil H. Bell, Jr.¹ “Organization development offers a prescription for improving the ‘fit’ between the individuals and the organization, between the organization and the environment, and among the organizational components such as strategy, structure and process. The prescription is implemented through inventions and activities that address specific problematic conditions.”
6. Organizational development can be achieved by carrying out research to identify problem areas and by applying various interventions to resolve the same. It is about bringing change in the organization. Scant attention paid to environment protection and social issues that may have direct or indirect impact on the individual and group performance.
7. To achieve organization effectiveness, changes are required in human resource, various processes and systems.
8. Organizational development is a continuous process. The programmes are implemented on short-term as well as long-term basis.

9. The responsibility to implement programmes lies with leaders and OD practitioners. They are also called facilitators. They may be members of the organization or outsiders. The basic aim of OD is: (1) to improve functioning of individuals teams and affect overall improvement in the organization; (2) to impart necessary skills and knowledge so that the organization efficiency is achieved. Consultants assist in incorporating required changes.

10. Leaders identify blocks, problems in the organization and seek its solution in consultation with OD practitioners. OD programmes are planned in details, implemented and results are evaluated for desired outcome. Modifications are carried out while programmes are in process of implementation with an aim of meeting changed environment.

11. Due to introduction of latest technology, computers, information technology and resultant social change, the importance of OD has increased many folds. Communication has made a total revolution in the organization. Individual expectations have also increased. It has therefore become mandatory to handle situations in time so that problems are averted.

4.3.1: DEFINITION OF OD

Several definitions of OD exist. We will examine a few of them.

Beckhard (1969), has defined organization development as an effort (1) planned, (2) organization wide, (3) managed from the top, (4) increase organization effectiveness and health through (5) planned interventions in the organization's 'processes,' using knowledge of behavioural science.

Bennis (1969), OD is a response to change, a complex education strategy intended to change the beliefs, attitudes, values, and structure of organizations so that they can better adapt to new technologies, markets and challenges.

Beer (1980), the aim of OD are (1) enhancing congruence between organizational structure, processes, strategy, people, and culture; (2) developing new and creative organizational solutions; and (3) developing the organization's self-renewing capacity.

Porras and Robertson (1992), Organizational development is a set of behavioural science based theories, values, strategies and techniques aimed at the planned change of the organizational work setting for the purpose of enhancing individual development and improving, organizational performance, through the alteration of organizational members' on the job behaviours.

Cummings and Worley (1993), OD is a system wide application of behavioural science knowledge to the planned development and re-enforcement of organizational strategies, structures, and processes for improving an organization's effectiveness.

Burke (1994), OD is a planned process of change in an organization's culture through the utilization of behavioural science, technologies, research and theory.

“Organization Development is the attempt to influence the members of an organization to expand their candidness with each other about their views of the organization and their experience in it, and to take greater responsibility for their own actions as organization members. The assumption behind OD is that when people pursue both of these objectives simultaneously, they are likely to discover new ways of working together that they experience as more effective for achieving their own and their shared goals. – **Neilsen.**

“Organization Development is a body of knowledge and practice that enhances organizational performance and individual development, viewing the organization as a complex system of systems that exist within a larger system, each of which has its own attributes and degrees of alignment. OD interventions in these systems are inclusive methodologies and approaches to strategic planning, organization design, leadership development, change management, performance management, coaching, diversity, and work/life balance.”-**Matt Minahan.**

From the above definitions following points emerge: (a) OD is a field of applied behaviour science technologies. (b) It is related to planned change. (c) The study of OD is concerned with the total organizational systems and processes. (d) OD is related to achieving congruence among organizational components like structure, culture and processes. (e) OD is a long-term strategy intended to change beliefs, attitudes, values and organizational structures. It is carried out to achieve organizational effectiveness and meet the challenges of changed environmental factors.(f)The study of OD is aimed at developing overall organization with particular reference to development of organizations renewing capacity.(g) It involves initiating actions so that organizations are transformed into Learning Organizations.

4.4: OD PROCESS

The Organizational Development (OD) process is complicated and it takes long time to complete the process. It takes minimum of one year and sometimes continues indefinitely. There are different approaches to OD process but the typical process consists of seven steps, viz., initial diagnosis, data

collection, data feedback and confrontation, action planning and problem solving, team building, inter group development and evaluation and follow up.

1. Initial Diagnosis

If executives recognize that there are inadequacies within organization which can be corrected by OD activities, it is necessary to find out the professional and competent people within the organization to plan and execute OD activities. If competent people are not available within the organization, the service activities are to be taken. The consultants adopt various methods including interviews, questionnaires, direct observation, analysis of documents and reports for diagnosing the problem.

2. Data Collection

Survey method is used to collect the data and information for determining organizational climate and identifying the behavioural problems.

3. Data Feedback and Confrontation

Data collected are analyzed and reviewed by various work groups formed for this purpose in order to mediate in the areas of disagreement or confrontation of ideas or opinions and to establish priorities.

4. Selection and Design of Interventions

The interventions are the planned activities that are introduced into the system to accomplish desired changes and improvements. At this stage the suitable interventions are to be selected and designed.

5. Implementation of Intervention

The selected intervention should be implemented properly. Intervention may take the form of workshops, feedback of data to the participants, group discussions, written exercises, on-the-job activities, redesign of control system etc. It achieves real and lasting change in the attitudes and behaviour of employees.

6. Action Planning and Problem Solving

Groups prepare recommendations and specific action planning to solve the specific and identified problems by using collected data.

7. Team Building

The consultants encourage the employees throughout the process to form into groups and teams by explaining the advantages of the teams in the OD process, by arranging joint meetings with the managers, subordinates etc.

8. Inter Group Development

The consultants encourage the inter group meetings, interaction etc., after the formation of groups/teams.

Conclusion

The organization finally has to evaluate the OD programs, find out their utility, and develop the programs further for correcting the deviations and/or improved results. The consultants help the organization in this

respect. All the steps in the OD processes should be followed by the organization in order to derive full range of OD benefits.

4.5: DIAGNOSTIC ACTIVITIES

OD is a format and comprehensive evaluation of the dynamics of interacting forces within and outside the organization. It leads to an understanding of the opportunities and threats in the environment and the strengths and weaknesses of the organization and determining their implications on the organizational operation.

Diagnostic activities designed to provide an accurate account of things as they are which are needed of two reasons first is to know the state of the things or what the current state is, second to know the effects of the actions taken or know the consequences of the actions taken.

For each of the major targets in an organization, the typical information desired and common methods of obtaining the information are given. The OD practitioner may be interested in all these target groups or in only few of them; he or she may work with one subsystem during subsequent phases. Frequently, the improvement strategy calls for concentrating on different organizational targets in a planned sequence.

4.5.1: ORGANIZATIONAL DIAGNOSTIC MODELS

An effective diagnostic model allows identifying reliable data to help clients to understand their company's strengths, deficiencies, and opportunities for improvement, to later articulate a targeted intervention and measurement strategy. To effectively improve organizational performance, as well as individual and group development, Organizational Development (OD) practitioners must be knowledgeable of quantitative and qualitative methods, as well as, the different diagnosis models to choose the most appropriate intervention's objectives, resources, organizational culture and context.

This blog examines two relevant organizational diagnostic models, and compares and contrast their application and usefulness to support the implementation of OD interventions. The six-box model, a very popular and easy to use. The diagnostic analysis is based on six organizational factors: the organization's strategy, structures, rewards, internal relationships, helpful mechanisms, and leadership. The second model, the sharp-image diagnostic, develops specific models to fit the characteristics of the intervention. The model includes four steps to scan the organization and identify critical areas for closer examination.

Both diagnostic models derive from the action research approach, and involve clients across the process to obtain adequate commitment and support to subsequent implementation and measuring stages.

1. The Six-box Model

Weisbord's six-box model contains six elements to focus the organizational diagnosis: the organization's strategy, structure, rewards, internal relationships, helpful mechanisms, and leadership. The six box model is surrounded by the environment, although it is not included in the model. For each dimension, the model includes specific questions.

Weisbord's six-box diagnostic model centers the analysis on areas of dissatisfaction as the starting point, identifying organizational outputs with which both external customers and internal producers are dissatisfied. Then, participants find the causes of dissatisfaction in the six elements of the model. Internal producers are the key decision makers to solve those areas of dissatisfaction.

2. Harrisom and Shirom Model

Harrisom and Shirom (1999) describe that the model center on the identification of gaps. "For each of these boxes, consultants are encouraged to diagnose the following types of gaps: **(a)** gaps between what exists now and what ought to be; **(b)** gaps between what is actually done and what employees and managers say that they do (i.e. gaps between the official and emergent aspects of organizational behavior); and **(c)** gaps among organizational units and layers –including gaps within and between boxes".

The leadership dimension positioned in the center is connected to the other five factors, because Weisbord sustains that leaders play a very critical role in the organizational effectiveness.

Weisbord's six-box model has been widely used by OD practitioners, because is easy to use and easy to understand by clients. However, the simplicity of the model is also a disadvantage, because the model lacks a solid theoretical foundation to determine the real existence of gaps, and their degree of influence over the whole organizational effectiveness. Furthermore, the model fails to provide a solid course of action to close identified gaps given the internal arguments of dissatisfaction.

3. Sharp-image Diagnosis Model

Harrisom and Shirom (1999) combine the open-systems and political frames with a more sharply focused model to conduct an organizational diagnostic. "practitioners of the sharp-image diagnosis start with a broad scan of an organization but then select core problems and organizational challenges for close-up examination".

The sharp-image diagnosis model employs two or more theoretical perspectives to analyze the fundamental causes of identified problems or challenges, and their interrelations with other subsystems. The sharp-image diagnosis includes four critical steps: **a)** the gathering of data to identify specific problems or challenges to focus subsequent analysis; **b)** the use of theoretical models targeted to the specific needs; **c)** the development of a diagnostic model to identify the root causes of ineffective outcomes, and **d)** feedback on relevant data to clients.

a) The first step helps to identify data related to the organizational problems or challenges, analyzing relations between consultants and clients, and cultural traits of the focal organization. The data gathering process is conducted using the open systems frame, the analysis of strengths, weaknesses, opportunities, and threats (SWOT), and the analysis of stakeholders.

b) In the second step, OD practitioners prioritize organizational problems or challenges to maximize the impact and benefits of the intervention, focusing on the more important areas, and examining links with other socio-technical systems.

c) In the third step practitioners develop a model tailored to the needs of the intervention. Harrisom and Shirom (1998) emphasize the need to develop a reliable model for the analysis of gaps “These models summarize the factors that produce central organizational problems, such as the inability to provide services or products that satisfy customers or the failure of the organization to obtain competitive advantage within its environment”.

d) In the fourth step of the sharp image diagnosis model, OD practitioners provide feedback to clients focusing on ways to minimize inefficiencies, cope with challenges, and increase organizational effectiveness. Harrisom and Shirom (1998) reinforce the importance of feedback to facilitate the implementation of organizational changes, by unfreezing the status quo, reducing resistances, and channeling client’s decisions toward actions that produce the maximum organizational effectiveness.

One of the main limitations of sharp-image diagnosis is the lack of predefined tools to carry-out the organizational diagnosis. The sharp-image diagnostic model requires experienced OD practitioners to develop customized diagnostic models, targeted to the objective, needs, timeframe and other characteristics of the OD intervention, and the organization. In addition to these, OD practitioners play an active role in the feedback process to help clients better understand the diagnostic results, and advice them on OD intervention to produce maximum results.

4.5.2: MAIN SIMILARITIES

i) Both, the six-box model and the sharp image model are based on the action research model. French and Bell (1999) proposed action research as the primary model for OD interventions “Action research involves three processes: data collection, feedback of the data to the client system members, and action planning based on the data”.

ii) The focus on inefficiencies to center the diagnostic is another area of similarity between the two

models. Harrisom and Shirom (1998), emphasize the solution of ineffectiveness to bring greater benefits to organizations. Solving problems stemming from ineffectiveness can contribute more directly and dramatically to organizational survival and short-term success that can the enhancement of effectiveness.

4.5.3: MAIN DIFFERENCES

i) The six-box model is a predefined, straightforward, easy to use, and easy to understand with predefined areas and questions to focus the analysis, while the sharp-image diagnosis model is more elaborated, requiring OD practitioners to develop customized models to carry-out the diagnosis intervention.

ii) Given its simplicity, almost anyone can use Weisbord's six-box model, while the sharp-image diagnosis model requires experienced OD practitioners to develop customized diagnostic models.

iii) The sharp-image diagnosis model is broader in scope because it attends the internal and external aspects of the organization, while Weisbord's six-box model focuses on the internal aspects only.

iv) The sharp image diagnosis model scans the whole organization in search of gaps or challenges, including the internal and external interrelated elements. Although the environment is illustrated in the six-box model, the analysis of factors external to the organizations is excluded. Weisbord's six-box model centers on the identification of internal organizational gaps -strategy, structure, rewards, internal relationships, helpful mechanisms and leadership.

4.5.4: APPLICATION AND USEFULNESS

OD diagnostic models draw from the action research practice, where clients are involved and take an active role in the different stages of the diagnosis process, including the definition of objectives, stakeholders, activities, and timeframe to gather and analyze data. The role of the OD practitioner is paramount to guide clients in the organizational assessment process, including the selection of the diagnostic model, the definition of activities, the feedback of results and the implementation of following actions to improve organizational effectiveness and individual and organizational development.

By increasing client participation in the diagnosis process, OD practitioners also increase the application and usefulness of the diagnostic intervention, since clients will better understand the identified gaps and areas to focus further implementation interventions. Moreover, consultants must use a valid feedback model that allows the communication of results in a non threatening way.

Harrisom and Shirom (1998) state that good diagnosis models help clients to increase their understanding of the organizational gaps that require attention, and the required resources to better focus change interventions. The authors consider a good diagnostic model specifies its level of analysis, its limits, the interaction between variables, effectiveness criteria, and evaluative standards. Additionally, the authors

emphasize that diagnosis models must analyze the internals and externals of the organization, reflecting macro contingencies and macro processes to support the managing of change, and increase organizational effectiveness.

4.6: ACTION PLANNING

An action plan is a “heroic” act. It helps us to turn our dreams into a reality. An action plan is a way to make sure your organization’s vision. It describes the way your group will use its strategies to meet its objectives. An action plan consists of a number of action steps or changes to be brought about in your community.

Each action step should include the following information:

- i) What actions or changes will occur?
- ii) Who will carry out these changes?
- iii) By when they will take place, and for how long?
- iv) What resources (i.e., money, staff) are needed to carry out these changes?
- v) Communication (who should know what?)

4.6.1: WHAT ARE THE CRITERIA FOR A GOOD ACTION PLAN?

The action plan should meet several criteria. Is the action plan:

- i) Complete? Does it list all the action steps or changes to be sought in all relevant parts of the community (e.g., schools, business, government, faith community)?
- ii) Clear? Is it apparent who will do what by when?
- iii) Current? Does the action plan reflect the current work? Does it anticipate newly emerging opportunities and barriers?

4.6.2: WHY SHOULD YOU DEVELOP AN ACTION PLAN?

There is an inspirational adage that says, “People don’t plan to fail instead they fail to plan.” There are lots of good reasons to work out the details of your organization’s work in an action plan. They include:

- i) An action plan shows members of the community that your organization is well ordered and dedicated to getting things done.
- ii) To be sure you don’t overlook any of the details.
- iii) To understand what is and isn't possible for your organization to do.
- iv) To save time, energy, and resources in the long run for efficiency.

v) To increase the chances that people will do what needs to be done.

4.6.3: WHEN SHOULD YOU CREATE AN ACTION PLAN?

Ideally, an action plan should be developed within the first six months to one year of the start of an organization. It is developed after you have determined the vision, mission, objectives, and strategies of your group. If you develop an action plan when you are ready to start getting things done, it will give you a blueprint for running your organization. It is not something you can write, lock in your file drawers, and forget about. Keep it visible. Display it prominently. As your organization changes and grows, you will want to continually revise your action plan to fit the changing needs of your group and community.

4.6.4: HOW TO WRITE AN ACTION PLAN?

1. Determine what people of the community should be changed and involved in finding solutions. If you have been using the VMOSA (Vision, Mission, Objectives, Strategies, and Action Plans) model, you might have already done this, when you were deciding upon your group's objectives. Some members of the community you might consider asking to join the action planning group include:

- i) Influential people from all the parts of the community affected by your initiative;
- ii) People who are directly involved in the problem;
- iii) Members of grassroots organizations;
- iv) Members of the various ethnic and cultural groups in your community;
- v) People you know who are interested in the problem or issue;
- vi) Newcomers or young people in the community who are not yet involved.

2. Convene a planning group in your community to design your action plan. This might be the same group of people who worked with you to decide your group's strategies and objectives. If you are organizing a new group of people, try to make your planning committee as diverse and inclusive as possible. Your group should look like the people most affected by the problem or issue.

Once everyone is present, go over your organization's: vision, mission, objectives, strategies, targets and agents of change and proposed changes for each sector of the community. (e.g., schools, faith community, service organizations, health organizations, government)

3. Develop an action plan composed of action steps that address all proposed changes. The plan should be complete, clear, and current. Additionally, the action plan should include information and ideas you have already gathered while brainstorming about your objectives and your strategies. Here are some guidelines to follow to write action steps.

Members of the community initiative will want to determine:

i) What action or change will occur?

ii) Who will carry it out?

iii) When it will take place, and for how long?

iv) What resources are needed to carry out the change?

v) Communication (who should know what).

4. Review your completed action plan carefully to check for completeness. Make sure that each proposed change will help to accomplish your group's mission.

5. Take your plan and run with it.

6. Keep everyone informed about what's going on. Communicate to everyone involved how his or her input was incorporated.

7. Keep track of what you have done. Always keep track of what the group has actually done.

8. Celebrate your accomplishments; you and those you work with deserve it. Celebration helps to keep everyone excited and interested in the work they have done.

4.7: STABILIZATION

An important task of managing organizations is to handle change while assuring stability. Changing becomes an ongoing task in today's complex world, in which organizations face ambiguity and uncertainty. Simultaneously, stabilizing lies at the core of ensuring daily operations so that organizations can create their services or products. Accordingly, stabilizing and changing has long been acknowledged as inextricably interwoven. Theories of change have dealt with stability and change in ways that could be distinguished along the lines of episodic and continuous theories of. The Former tend to assume organizations as stable entities that need to change from time to time, so that change and stability are understood sequentially. In difference, continuous change theories adopt a more micro perspective on how change processes unfold over time. They reveal the dynamic and non-linear dimension of changing an organization (Langley & Denis 2006; Langley 2009). Change becomes continuous and organizations can be understood as ongoing accomplishments or emergent phenomena (Feldman 2000; Hernes 2008). We follow such a process perspective (Tsoukas & Chia 2002; van de Ven & Poole 2005), understand process as events unfolding overtime (van de Ven 1992), and assume that social reality, organizations and organizational change are constructed in ongoing social interaction (Ford 1999).

Within the process perspective, stabilizing and destabilizing are ongoing and integral to organizing. Some studies chose upper management as a unit of analysis and highlight stabilizing and changing as part of the recursive relationship between the organization and its environment within endogenous change processes.

Some elaborate on how stabilizing and changing unfolds inside daily organizing by means of routines (Feldman 2000). Others use improvising (Orlikowski 1996), and changing scripts to mediate between structure and action (Barley & Tolbert 1997) and provide inspiring explanations of stabilizing and changing simultaneously in the context of change initiatives.

We are interested in stabilizing a change initiative within organizing as accomplishment. Our focus lies on the relationship between a change initiative and organizing. Change initiatives are recursively related to daily organizing because the former are embedded in the latter. Furthermore, both provide legitimacy for each other as the change initiative comes into being because of observed deficits in daily organizing, which in turn is to be ensured in the future with the support of the change initiative.

4.8: SUMMING UP

From the many definitions of organization development that exist, a few were presented to give the reader a sense of how the broad field of OD has evolved. Detail was provided in support of the action research model, the core approach to OD, modified in this text as the organization development process model, with an explanation of each of its eight phases or dimensions: Entry, Start-up, Assessment and Feedback, Action Planning, Implementation, Evaluation, Adoption, and Separation. Brief mention was also made of the appreciative inquiry approach to doing OD. The organizational context is an essential factor influencing how OD is done in that organization. Generally, reference to this is to organizational culture. The components of culture were explored, with a recognition of the difficulty of determining the assumptions that reside within organizational members. Some of the major historical roots of OD were explored. The positive impact of doing OD work on an organization's performance was then explored. Finally, the values espoused by the OD Network and others were presented in support of the concept of OD being a value-based process with a bias toward humanistic values in creating an open system designed to meet the needs of its stakeholders.

4.9: RECOMMENDED READINGS

1. W. Warner Burke, Organization Development: A Process of Learning and Changing, Addison –Wesley Publishing Company, 1994.
2. Wendell L. French, Cecil H. Bell, Jr., Organization Development, Eastern Economy Edition, 2003

4.10: QUESTIONS

A. Short Questions

1. Define the term 'Organization Development'.

2. What is 'diagnostic activities' in Organization Development?

3. Write down the similarities between Diagnostic Six box Model and Harrisom & Shirom Model.

4. Write down the dissimilarities between Diagnostic Six box Model and Sharp Image Model.

5. What is 'action planning'?

6. Write down the objectives of 'action planning'.

7. What do you mean by the term 'stabilizing'?

B. Essay Type Questions

1. Write down the application areas of diagnostic models.

2. Briefly describe the process of Organization Development.

3. Write down the criteria for a good 'Action Planning'.

4. How to write a good action plan?

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UNIT-5: OD APPROACHES

UNIT STRUCTURE

5.1 OBJECTIVES

5.2 INTRODUCTION

5.3 ACTION RESEARCH

5.3.1 HOW IS ACTION RESEARCH DEFINED?

5.3.2 THE NEED FOR AN ACTION RESEARCH

5.3.3 THE OD ACTION RESEARCH PROCESS

5.3.4 SYSTEM MODEL OF ACTION RESEARCH

5.3.5 VARIETIES OF ACTION RESEARCH

5.3.6 ADVANTAGES OF ACTION RESEARCH

5.3.7 THE LIMITATIONS OF ACTION RESEARCH

5.4 SURVEY FEEDBACK APPROACH

5.4.1 SURVEY FEEDBACK AS AN ORGANIZATIONAL DEVELOPMENT TOOL

5.4.2 PROCESS OF SURVEY FEEDBACK

5.4.3 EVALUATION OF SURVEY FEEDBACK

5.4.4 RESPONSIBILITY OF THE TEAM LEADER

5.5 SUMMING UP

5.6 RECOMMENDED READINGS

5.7 QUESTIONS

5.1: OBJECTIVES

After reading this module you are expected to be able to:

- Understand how Action Research and Survey Feedback work and help the organization.
- Visualize the role of team leader for successful OD interventions.

5.2: INTRODUCTION

Traditionally, OD is considered as an approach for effecting changes in the organization. In fact, OD offers ways and means for ensuring smooth transition in the organization from the old to the new environment. However, OD offers an extensive range of approaches from which an organization can choose the appropriate one. Normally, the characteristics of the organizational setting and the nature of the challenge in the external environment influence the selection of a specific approach for achieving the desired changes. We shall now see some of the important kinds of OD approaches.

OD is a powerful technique adopted by organizations to get better organizational effectiveness and improved flexibility in the organizational structure. It also keeps them flexible in accepting changes as part of the growth strategy. It enables the organizations to introduce the changes in the organization and to manage these changes successfully. Though each organization may have its own style of designing and implementing OD intervention programmes, the role of the top leadership is invariably essential in all such programmes. It is always important for the management to be ready to embrace changes in whichever form they come.

5.3: ACTION RESEARCH

The term action-research was coined by Kurt Lewin shortly after the Second World War. Lewin's intention was that research should play a greater role in resolving social conflicts by studying the preconditions for and impacts of various forms of social action and inducing such action. However, he viewed this form of action research as a means of social engineering and thus can scarcely be regarded as the father of modern action research with its emphasis on emancipation and participation.

Friderike Seithel considers the action anthropology developed by North American ethnologists during the fifties (also known as committed, radical, advocacy, partisan, critical or revolutionary anthropology) to be the precursor, or at least one of the most important forerunners of action research. Beginning with what was known as the Fox project (1948 - 1958), and drawing upon further research projects among Native Americans, Sol Tax, Fred Gearing, Lisa Peattie, Walter B. Miller, Stephen Schensul, Karl H. Schlesier and other ethnologists gradually elaborated the theoretical fundamentals of action anthropology.

The change in approach was prompted by the ethnologists' concern at the Native Americans' situation and by their resultant intention not merely to study and describe this seemingly hopeless situation but indeed to change it. The ethnologists took the Native Americans' part and began to assist them in solving their problems. At the same time, they adopted a new attitude towards the Native Americans, regarding them no longer as objects of research but rather as independent individuals with whom they could work together in a spirit of partnership.

Most of the principles of action research were already developed by action anthropology. During the 70s, a heated debate on action research was conducted in German-speaking journals and publications. This was based on the application of action research methods in the education and training sector, and in industrial sociology. Yet this debate was often guided by theory of knowledge issues. Following the positivist dispute conducted in the late 60s between proponents of Frankfurt Critical Theory, and advocates of the critical rationalism going back to Karl Popper, the key issue was which of the prevailing schools of social science research; action research should be seen as supplementing and which it should be seen as a critical alternative.

The debate revealed firstly that there was no common understanding of the concept and term 'action research', and secondly that committed social activism was often being pursued under this label which yielded little scientific benefit.

German development cooperation practitioners and theoreticians were largely unaware of the debate, and therefore did not receive any ideas from it. This was also the case with action research approaches that socially committed Latin American and Asian scientists were developing and applying in their own countries as early as the 60s. Although the name Paulo Freire is not usually mentioned in the same breath as action research, his education for the oppressed and his concept of communication in dialogue laid key methodological foundations for action research.

5.3.1: HOW IS ACTION RESEARCH DEFINED?

Action research is a form of investigation designed for use by teachers to attempt to solve problems and improve professional practices in their own classrooms. It involves systematic observations and data collection which can be then used by the practitioner-researcher in reflection, decision making and the development of more effective classroom strategies.

Parsons and Brown (2002)

Action Research is a fancy way of saying let's study what is happening at our school and decide how to make it a better place.

Emily Calhoun (1994)

Action research is a natural part of teaching. Teachers are continually observing students, collecting data and changing practices to improve student learning and the classroom and school environment. Action research provides a framework that guides the energies of teachers toward a better understanding of why, when, and how students become better learners.

In the 1940s John Collier, Kurt Lewin, and William Whyte discovered that research needed to be closely linked to action if organizational members were to use it to manage change. Action research has two results: 1) organizational members use research on themselves to guide action and change, while 2) researchers were able to study the process to gain new information.

An action researcher is a person with a scientific attitude, an understanding of qualitative research principles, an understanding of the dynamics of change and a commitment to studying problems that are relevant in real settings. This process is as much an act of scientific research as an act of engagement with people experiencing the problem. It deals with conscious and unconscious data. It involves theorizing, experimenting and implementing, being extremely rigorous with some steps, and very flexible with others. In practicing action research, the social scientist is “engaged” within an organization or group.

5.3.2: THE NEED FOR AN ACTION RESEARCH

Most scientist claim that research exists to further the cause of science, answering questions with reliable and unbiased information.

This scientific activity can consume enormous amounts of time. Like a sail boat, it is also expensive. This research is also detailed, meticulous and demands sometimes boring tabulations and observations. Further, the technical skills using mathematics, statistics and computer programs must be integrated and allied with a scientific attitude and attention to detail.

Traditions which assist the evaluation and prediction process and anchor scientific research. These traditions include establishing experimental controls, replication and precise measurements, while also guarding against invalidity and unreliability. The goal is to discover new facts, verify old facts and to analyze their sequences, causal explanations and the natural laws governing the data gathered.

Traditional science has achieved modes of success in trying to explain and solve societal and organizational problems. There is much that can be measured in society and traditional science has done very well in accomplishing this task. It has been particularly relevant in chemistry, physics, biology and other fields some call the “hard” sciences.

Apparently, recognition is growing of the difficulties involved in using this traditional scientific research paradigm for practical organizational development problems. That is, “there may be an inherent incompatibility between practical problem-solving and “scientific research” and maximizing one may minimize the other.”Scientific research practices are often accused of being unfortunate impediments to effective action. Paradoxically, the traditional scientists are becoming more and more sophisticated while the research users are demanding material which is simple, clear, and timely. Thus, there have been several suggestions that research procedures should recognize the dynamic nature of organizational problems.

Action research is a unique scientific process in its concerns for accepting the values inherent in the client system and differs from traditional scientific inquiry because of the researcher’s involvement with people’s expectations and values. It relies on the researcher’s ability to select good information from poor information, especially as it concerns the behaviours and perceptions of individuals and groups. Judgements of the reliability and validity of action research data might be based on factors and interrelationships creating the problem for the client.

5.3.3: THE OD ACTION RESEARCH PROCESS

Action Research is a process which serves as a model for most OD interventions. French and Bell (1995) describe Action Research as a “process of systematically collecting research data about an ongoing system relative to some objective, goal, or need of that system; feeding these data back into the system; taking actions by altering selected variables within the system based both on the data and on hypotheses; and evaluating the results of actions by collecting more data.” The steps in Action Research are:

1. Entry

This phase consists of finding needs for change within an organization. It is also the time to quickly grasp the nature of the organization, identify the appropriate decision maker, and build a trusting relationship.

2. Start-up and Contracting

In this step, critical success factors and the real issues are identified. We link into the organization’s culture and processes, and clarify roles for the consultant(s) and employees. This is also the time to deal with resistance within the organization. A formal or informal contract will define the change process.

3. Assessment and Diagnosis

Here data is collected to find the opportunities and problems in the organization. This is also the time for the consultant to make a diagnosis, in order to recommend appropriate interventions.

4. Feedback

This two-way process serves to tell what was found out, based on an analysis of the data. Everyone who contributed information should have an opportunity to learn about the findings of the assessment process. The feedback should start with the executive client and his/her team. Usually it is cascaded down through the organization to reach all who have participated. This provides an opportunity for the organization's people to become involved in the change process, to learn about how different parts of the organization affect each other, and to participate in selecting appropriate change interventions.

5. Planning Change

In this step recommendations are distilled from the assessment and feedback. Alternative actions are considered and the focus of the intervention(s) is on activities that have the most leverage to effect positive change in the organization. An implementation plan is developed that is based on the assessment data, is logically organized, results- oriented, measurable and rewarded. The next step is to plan for a participative decision-making process for the intervention.

6. Intervention

This is the actual change process. It is important to follow the action plan, yet remain flexible enough to modify the process as the organization changes and as new information emerges.

7. Evaluation

Successful OD must have made meaningful changes in the performance and efficiency of the people and their organization. An evaluation procedure to verify this success, identify needs for new or continuing OD activities, and improve the OD process itself to help future interventions more successful.

8. Adoption

After steps have been made to change the organization and plans have been formulated, follow-up is started by implementing processes to ensure that this remains an ongoing activity within the organization, that commitments for action have been obtained, and that they will be carried out.

9. Separation

It must recognize when it is more productive for the client and consultant to undertake other activities, and when continued consultation is counterproductive. The change should be monitored for its success possibly to plan for future change activities.

Following these sequential steps is the ideal way to do Action Research. But Action Research is tricky as the organization is dynamic and changes rapidly while we are in the middle of assessing it. Flexibility while keeping the integrity of the process as much as possible is the art of the process. OD professionals need to know how to change their strategy when necessary. Often they will have to move back and repeat previous steps in light of new information, new influences, or because of the changes that have already been made.

For successful OD, all of these steps must be followed. It works best if they are taken in a chronological order. Since learning is really an iterative, not a sequential process, we must be prepared to re-enter this process when and where it is appropriate.

5.3.4: SYSTEM MODEL OF ACTION RESEARCH

Wendell L French and Cecil Bell defined organization development (OD) at one point as “organization improvement through action research”. If one idea can be said to summarize OD’s underlying philosophy, it would be action research as it was conceptualized by Kurt Lewin and later elaborated and expanded on by other behavioural scientists. Concerned with social change and, more particularly, with effective, permanent social change, Lewin believed that the motivation to change was strongly related to action: If people are active in decisions affecting them, they are more likely to adopt new ways.

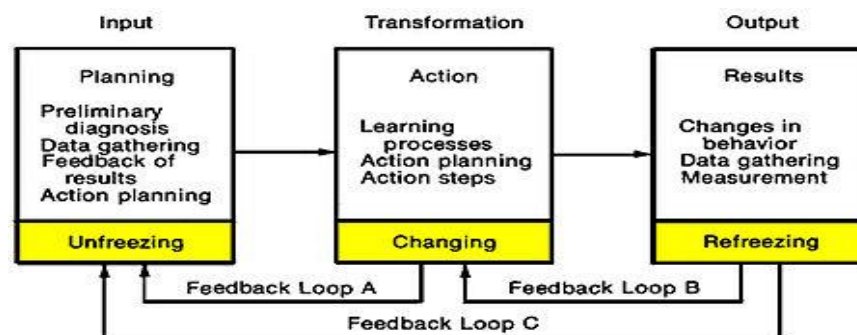


Figure 1: Systems Model of Action-Research Process

Lewin’s description of the process of change involves three steps:

a) Unfreezing: Faced with a dilemma or disconfirmation, the individual or group becomes aware of a need to change.

b) Changing: The situation is diagnosed and new models of behaviour are explored and tested.

c) Refreezing: Application of new behaviour is evaluated, and if reinforcing, adopted.

Figure 1 summarizes the steps and processes involved in planned change through action research. Action research is depicted as a cyclical process of change. The cycle begins with a series of planning actions initiated by the client and the change agent works together. The principal elements of this stage include a preliminary diagnosis, data gathering, feedback of results and joint action planning. In the language of systems theory, this is the input phase, in which the client system becomes aware of problems as yet unidentified, realizes it may need outside help to effect changes and shares with the consultant the process of problem diagnosis.

The second stage of action research is the action or transformation phase. This stage includes actions relating to learning processes (perhaps in the form of role analysis) and to planning and executing behavioural changes in the client organization. As shown in Figure 1, feedback at this stage would move via Feedback Loop A and would have the effect of altering previous planning to bring the learning activities of the client system into better alignment with change objectives. Action-planning activity is carried out jointly by the consultant and members of the client system. Following the workshop or learning sessions, these action steps are carried out on the job as part of the transformation stage.

The third stage of action research is the output or results phase. This stage includes actual changes in behaviour resulting from corrective action steps taken following the second stage. Data are again gathered from the client system so that progress can be determined and necessary adjustments in learning activities can be made. Minor adjustments of this nature can be made in learning activities via Feedback Loop B (see Figure 1). Major adjustments and reevaluations would return the OD project to the first or planning stage for basic changes in the program. The action-research model shown in Figure 1 closely follows Lewin's repetitive cycle of planning, action, and measuring results. It also illustrates other aspects of Lewin's general model of change. As indicated in the diagram, the planning stage is a period of unfreezing or problem awareness. The action stage is a period of changing, that is trying out new forms of behaviour in an effort to understand and cope with the system's problems. The results stage is a period of refreezing, in which new behaviours are tried out on the job and, if successful and reinforcing, become a part of the system's repertoire of problem-solving behaviour.

Action research is problem centered, client centered and action oriented. It involves the client system in a diagnostic, active-learning, problem-finding and problem-solving process. Data are not simply returned in the form of a written report but instead are fed back in open joint sessions, and the client and the change agent collaborate in identifying and ranking specific problems, in devising methods for finding their real causes, and in developing plans for coping with them realistically and practically. Scientific method in the form of data gathering, forming hypotheses, testing hypotheses and measuring results, although not

pursued as rigorously as in the laboratory, is nevertheless an integral part of the process. Action research also sets in motion a long-range, cyclical, self-correcting mechanism for maintaining and enhancing the effectiveness of the client's system by leaving the system with practical and useful tools for self-analysis and self-renewal.

5.3.5: VARIETIES OF ACTION RESEARCH

Action research typically involves creating spaces in which participants engage together in cycles of action and critical reflection. However, this basic process has been elaborated in different ways in different schools of practice. We outline some of the major ones below.

1. Organizational Change and Work Research

There is a longstanding tradition of action research in organizational settings which aims to contribute both to more effective work practices and better understanding of the processes of organizational change. This approach draws on a variety of forms of information gathering and feedback to organization members, leading to problem solving dialogue.

2. Co-operative Inquiry

A co-operative inquiry group consists of people who share a common concern for developing understanding and practice in a specific personal, professional or social arena. All are both co-researchers, whose thinking and decision-making contributes to generating ideas, designing and managing the project, and drawing conclusions from the experience; and also co-subjects, participating in the activity which is being researched. Co-operative inquiry groups cycle between and integrate four forms of knowing—experiential, presentational, propositional and practical (Heron, 1996; Heron & Reason, 2001).

3. Action Science and Action Inquiry

These related disciplines offer methods for inquiring into and developing congruence between our purposes, our theories and frames, our behaviour, and our impact in the world. These practices can be applied at individual, small group and organizational level. Their overall aim is to bring inquiry and action together in more and more moments of everyday life, to see inquiry as a 'way of life' (Argyris, Putnam, & Smith, 1985; Friedman, 2001; Marshall, 2001; Torbert, 2001).

Learning History is a process of recording the lived experience of those in an action research or learning situation. Researchers work collaboratively with those involved to agree the scope and focus of the history, identify key questions, gather information through an iterative reflective interview process, distil this information into a form which the organization or community can 'hear' and facilitate dialogue with

organization members to explore the accuracy, implications and practical outcomes that the work suggests (Roth & Kleiner, 1998).

4. Appreciative Inquiry

Practitioners of appreciative inquiry argue the extent that action research maintains a problem-oriented view of the world diminishes peoples' capacity to produce innovative theory capable of inspiring the imagination, commitment and passionate dialogue required for the consensual re-ordering of social conduct. Devoting attention to what is positive about organizations and communities, enables us to understand what gives them life and how we might sustain and enhance that life-giving potential. Appreciative inquiry begins with the 'unconditional positive question' that guides inquiry agendas and focuses attention toward the most life-giving, life-sustaining aspects of organizational existence (Ludema, Cooperrider, & Barrett, 2001).

5. Whole Systems Inquiry

Large group interventions or processes are events designed to engage representatives of an entire system, whether it be an organization or a community, in thinking through and planning change (for descriptions see Bunker & Alban, 1997). What distinguishes them is that the process is managed to allow all participants an opportunity to engage actively in the planning (Martin, 2001). The role of the researchers is to create the conditions for democratic dialogue among participants.

6. Participative Action Research

Participatory action research (PAR) is explicitly political, aiming to restore to oppressed peoples the ability to create knowledge and practice in their own interests and as such has a double objective. One aim is to produce knowledge and action directly useful to a group of people, another, to empower people at a deeper level through the process of constructing and using their own knowledge so they 'see through' the ways in which the establishment monopolizes the production and use of knowledge for the benefit of its members. PAR practitioners emphasize emergent processes of collaboration and dialogue that empower, motivate, increase self-esteem, and develop community solidarity (Fals Borda & Rahman, 1991; Selener, 1997).

7. Art, Storytelling and Theatre as Action Research

Action research is increasingly linking with contemporary movements in a range of artistic practices in the community. Practices drawn from community art, theatre and storytelling offer starting places for inquiry based in presentational ways of knowing (Hawkins, 1988; Mienczakowski & Morgan, 2001).

8. Public Conversations

The aim of the public conversations movement is to foster a more inclusive, empathic and collaborative society by promoting constructive conversations and relationships among those who have differing values, world views and positions about divisive public issues. This might include activists in adversarial relationships, who are interested in talking with each other directly, rather than through the media, in ways that reduce stereotyping and defensiveness; groups and networks who seek to more effectively collaborate despite differences of identity or perspective; civic leaders, political officials, and educators who seek to build community and enhance democracy.

5.3.6: ADVANTAGES OF ACTION RESEARCH

A careful study of the case studies highlights some of the advantages of using action research as a method of researching into aspects of practice. Here is list of the advantages that we have compiled. Action research is a powerful and useful model for practitioner research because:

- i) Research can be set within a specific context or situation;
- ii) Researchers can be participants – they don't have to be distant and detached from the situation;
- iii) Continuous evaluation and modifications can be made as the project progresses;
- iv) There are opportunities for theory to emerge from the research rather than always follow a previously formulated theory;
- v) The study can lead to open-ended outcomes;
- vi) The researcher can bring a story to life through action research.

5.3.7: THE LIMITATIONS OF ACTION RESEARCH

When you consider action research for the purposes of professional development or improving a situation, it is difficult to list many disadvantages. However, action research is sometimes described as a soft option by some, so the researcher needs to define the parameters of the study at the start. Gaining insights and planning action are two of the main purposes of being engaged in action research. There is also the issue of ethical considerations which is of particular significance within action research.

5.4: SURVEY FEEDBACK APPROACH

In globally competitive environments, organizations are seeking information about obstacles to productivity and satisfaction in the workplace. Survey feedback is a tool that can provide this type of feedback to help leaders to guide and direct their teams. Obstacles and gaps between the current status quo and the desired situations may or may not be directly apparent. In either case, it is vital to have a clear understanding of strategies for diagnosis and prevention of important organization problems. If all

leaders and members alike are clear about the organizational development and change, strengths, weakness, strategies can be designed and implemented to support positive change. Survey feedback provides a participative approach and enables all members to become actively engaged in managing the work environment.

Survey Process Steps

- Step 1: Identify project plan and objectives
- Step 2: Brief team leaders and employees about the process
- Step 3: Administer survey
- Step 4: Conduct interviews and focus groups
- Step 5: Train leaders on facilitating team discussions
- Step 6: Analyze the data and construct a report
- Step 7: Provide feedback to leaders
- Step 8: Team leaders conduct feedback action planning and meetings
- Step 9: Leaders present reports on progress and results to Senior Management
- Step 10: Follow-up by senior leadership to ensure progress and accountability

5.4.1: SURVEY FEEDBACK AS AN ORGANIZATIONAL DEVELOPMENT TOOL

The study of Survey Feedback played an important role in formation and history of Organizational Development (OD). Developed as an organization wide intervention by Mann and his associates (1957-1965), survey feedback is a process in which organizational members complete questionnaires on various organizational issues, receive feedback on the results and take appropriate actions to address the critical needs and concerns.

Though some type of survey method was prevalent in various organizations earlier, Institute for Social Research (ISR) of University of Michigan, USA developed a comprehensive questionnaire for conducting survey in different aspects of an organization. The basic objectives of survey feedback method are as follows:

1. To assist the organization in diagnosing its problems and developing action plan for problem-solving.
2. To assist the group members to improve the relationships through discussion of common problems.

5.4.2: PROCESS OF SURVEY FEEDBACK

Survey feedback method usually proceeds with sequential activities involving data collection, feedback of information, developing action plans based on feedback and follow up.

1.Data Collection

The first step in survey feedback is data collection usually by a consultant based on a structured questionnaire. The questionnaire may include different aspects of organizational functioning. ISR has prepared a questionnaire which includes questions on leadership – managerial support, managerial goal emphasis, managerial work facilitation, peer support, peer goal emphasis, peer work facilitation and peer interaction facilitation, organizational climate-communication with the company, motivation, decision-making, control within the company, co-ordination between departments, general management, satisfaction-satisfaction with the company, satisfaction with the supervisor, satisfaction with the job, satisfaction with the pay and satisfaction with the work group. The questionnaire is administered personally either by the members of consulting firm or by organization's personnel. After the questionnaires are completed, data are classified, tabulated, and analysis is made to arrive at some meaningful conclusions.

2. Feedback of Information

After the data are analyzed, feedback is given to the persons who have participated in the fulfilling up of questionnaire. The feedback may be given either orally or in a written form. In oral system of feedback, it is provided through group discussion or problem-solving sessions conducted by the consultant. Alternatively, feedback may be given in the form of a written summary of findings. Whatever the method of giving feedback is adopted, it should be constructive and suggestive, rather threatening and emotion-hurting as survey feedback is aimed at identifying weaknesses which must be overcome through follow-up actions and not the fault-finding technique for criticism.

3. Follow-up Action

Survey feedback programme is not meaningful unless some follow-up action is taken based on the data collected. One such follow-up action may be to advise the participants to develop their own action plans to overcome the problems revealed through a feedback or as is more commonly the case, follow-up action may be in the form of developing some specific OD interventions particularly process consultation and team-building by the consultant.

5.4.3: EVALUATION OF SURVEY FEEDBACK

Survey feedback provides a base for many managerial actions which has been confirmed by various research studies. In particular, survey feedback contributes in the following manner:

1.It is cost-effective means of implementing a comprehensive OD programme making it a highly desirable technique.

2.It generates great amount of information efficiently and quickly which can be used in solving problems faced by the organization and its members.

3.Decision-making and problem-solving abilities of organization can be improved tremendously because this approach applies the competence and knowledge throughout the organization and the problems faced by it.

However, effectiveness of survey feedback depends on two factors. First, questionnaire used and method adopted for its administration should be reliable and valid. If it is biased, all attempts to diagnose the problems will be abortive and futile. Second, even if valid and reliable information is collected, it is of no use unless follow-up action is taken based on the information. A survey feedback is not a technique in itself for change; it provides base for action for change.

5.4.4: RESPONSIBILITY OF THE TEAM LEADER

Once the data has been collected and observations have been clarified, it becomes the leader's responsibility to familiarize the team with the findings. Next the leader involves the team in outlining appropriate solutions and strategies that members can 'buy into' and support over the long-haul. When leaders can facilitate collaborative teaming and become an organizational development and change agent, people in the team will contribute creative ideas to enhance their work environment.

It is important for leaders to not underestimate the time and facilitation skills needed to pass on the information and foster an action-oriented environment. The initial meetings and communication sessions are just the start of a development process, not a single event. If the survey feedback is to be effective, it must be implemented into a comprehensive strategy that includes goals, responsibilities, time frames, revisions and reviews.

Prior to the action meetings, leaders need to gain a full understanding of the survey data and begin to structure a plan for the first meeting. Once the meeting begins, the leader should guide the group's evaluation of the results and development of solutions. Following the initial meeting, a summary should be documented and action plans should be circulated. Follow-up meetings are necessary to coordinate and evaluate changes and progress. Action plans are the means of fully utilizing the survey feedback, without it we simply have a snap shot of where the organization is, with no plan for positive change.

If the team feedback meeting is poorly handled, there will be low front-end commitment on the part of the team. Of course, group dynamics will be unique in every situation and the leader will need to consider this as the survey data is disseminated. Tailoring sessions to meet the group characteristics will provide for a more effective discussion. In any case, consider a few of these ideas:

- i) Be optimistic and excited about the information and how it can be used to better the organization.
- ii) Verbally express positive points.
- iii) Ask for participation by all members and reinforce their openness and contributions.
- iv) Invite them to explore with you the areas that need improvement.
- v) Be supportive and clear about action and follow-up plans.
- vi) Establish a clear commitment to utilize the survey feedback long-term and seek further feedback from the group.
- vii) Help the group to understand the purpose and mission of the survey feedback.

5.5: SUMMING UP

Action research is an important area for the organizations. It is seen as a significant vehicle to empower organization and also act as the tool for the reflection for its own practices. The action research is a systematic process involving various steps from the identification of the problem to the conclusions and decision making.

Action Research is an effective method for bringing all round development in organizational system and its functioning. All concerns of organization get the benefit from the findings of action research. Though the findings of action research is quite local it has tremendous impact on improving level of achievement of members, developing professional efficiency and competencies of members, bring excellence in system and making the organization successful. On the other hand, under Survey feedback, Data obtained from questionnaires; managers receive the data for their units and are expected to hold unit meetings to discuss problems.

5.6: RECOMMENDED READINGS

1. R. Lippitt, J. Watson, and B. Westley, Dynamics of Planned Change (New York: Harcourt and Brace, 1958).

2. R.Beckhard and R.T. Harris, Organizational Transitions: Managing Complex Change, (MA.Addison – Wesley, 1977).

5.7: QUESTIONS

A. Short Questions

1. Define the term 'Action research'.
2. Why Action Research is needed?
3. What are the advantages of Action Research?
4. What are the limitations of Action Research?
5. Survey Feedback acts as an OD tool. Explain
6. How is Survey Feedback evaluated?

B. Essay Type Questions

1. Briefly describe Action Research process.
2. Describe System Model of Action Research.
3. Discuss different varieties of Action Research.
4. Briefly describe Survey Feedback process.
5. Analyse the role of team leader for successful OD interventions.

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UNIT-6: DIFFERENT OD INTERVENTIONS1

UNIT STRUCTURE

- 6.1 OBJECTIVES
- 6.2 INTRODUCTION
- 6.3 TEAM INTERVENTIONS
 - 6.3.1 MAJOR TEAM INTERVENTIONS APPROACHES
 - 6.3.2 TECHNIQUES & EXERCISES USED IN TEAM BUILDING
- 6.4 INTERGROUP INTERVENTIONS
 - 6.4.1 MAJOR INTERGROUP INTERVENTIONS
- 6.5 SUMMING UP
- 6.6 RECOMMENDED READINGS
- 6.7 QUESTIONS

6.1: OBJECTIVES

On completion of this module you should be able to:

- Identify the problems of team and intergroup conflict.
- Understand Team & Intergroup interventions to improve performance of team.
- Visualize the team building techniques in an organization.

6.2: INTRODUCTION

These interventions are techniques and methods designed to change the organizational culture to enable the organization to improve their practices so that they may accomplish individual, team and organizational goals. In this module, we have discussed different types of team and group intervention techniques toward improving the performance of work teams. Organization development methods provide ways of increasing intergroup cooperation and communication among the group members working in the organization.

6.3: TEAM INTERVENTIONS

Team interventions are directed toward four main areas: diagnosis, task accomplishments, team relationships, and team and organization processes.

The purpose of teambuilding interventions is to improve the effectiveness of a project team by building better working relationships, better understanding and alignment among members, improved communications, and improved trust.

6.3.1: MAJOR TEAM INTERVENTIONS APPROACHES

There are no strict rules in the type of approaches in team building. There are general guidelines which are twisted and tailored to meet the needs of an organization. We will describe major approaches to team building, such as the formal group diagnostic meeting, the formal work group team building meeting, process consultation and Gestalt Organization development as well as techniques and exercises used in within team building sessions.

1. The Formal Group Diagnostic Meeting

Its purpose is to conduct a general critique of the performance of the group and to identify problems on which they will work on.

Purpose is to get an idea about how the group is performing through general criticism of group performance. Usually the team leader and the consultant confer about the idea first and decide on whether the diagnostic meeting is needed or not. If it is needed a meeting of the team members including the consultant(s) and team leader is convened for about half a day or a day. At the meeting group discussions involving everyone, sub groupings (breaking into smaller groups) or pairing individuals are some of the processes used to get diagnostic information or data.

After the issues and problems are determined, the next step is to discuss and group these in terms degree's of similarity or common themes. This helps to determine the next step. This may require calling a team building meeting, the assignment of individuals to various tasks groups to work on problems or strategies

aimed at correcting things wrong with the group deduced from the formal diagnostic meeting. It is recommended that formal diagnostic meetings are held frequently to preempt any upcoming problems.

2. The Group Team Building Meeting

It has the goal of improving the team's effectiveness through better management of task demands, relationship demands and group processes.

Generally the way team building meetings are done may vary depending on the purpose of the intervention however the basic structure of the process remains the same. Aim is to improve team effectiveness by managing task demands, group processes and relationships more efficiently.

Here the group analyzes its operations and critiques its performance and tries developing strategies to correct and improve their way of doing things. The main question they try to answer is 'how can we build ourselves into a better functioning team' (French & Bell, 1995).

This meeting is often called by the consultant in conjunction with the team leader. A meeting session may take from one to three days and the location should be away from the workplace.

Prior to the Session

The Consultant may interview each member of the group including the leader to get information about what they think their strengths and weaknesses are, problems the group faces, how the group functions and the hurdles in the way of the group performing better. This information is then categorized into themes based on similarity.

At the Meeting

At the beginning of the first meeting the consultant presents information gathered from interviews prior to the meeting to the group. The group examines each issue in depth and ranks them in order of importance, scrutinizes the dynamics of each problem, starts to work on solutions to the problems and takes concrete action steps to bring about the needed changes.

After the Meeting

Follow up meetings must be called to see if the action steps that were taken are actually being implemented and determine how effective they are.

Alternatively, Consultant may interview the whole group using open-ended questions. Next categorize the information in terms of similar themes and present the information to the group. Here the group ranks the information in terms of importance and discuss them in order of importance while generating solutions alongside.

3. Process Consultation

Process consultation model is similar to team-based interventions. It places greater emphasis on diagnosing and understanding process events. This intervention focuses on interpersonal relations and social dynamics occurring in work groups. Typically, a process consultant helps group members diagnose group functioning and devise appropriate solutions to process problems, such as dysfunctional conflict, poor communication, and ineffective norms. The aim is to help members to gain the skills and understanding necessary to identify and solve problems themselves.

4. Gestalt Interventions

Gestalt approach to team building focuses more on the individual than the group. The major advocate of this orientation is Stanley M. Herman, a management and OD consultant. The approach rests on a form of psychotherapy developed by Frederick S. 'Fritz' Perls called Gestalt therapy.

Gestalt therapy is based on the belief that persons function as a whole, total organisms and each person possesses positive and negative characteristics that must be 'owned up to' and permitted expression. People get into trouble when they get fragmented, when they do not accept their total selves, and when they are trying to live up to the demands of others rather than being themselves. Robert Harman lists the goals of Gestalt therapy as awareness, integration, maturation, authenticity, self-regulation and behavioural change.

Basically, one must come to terms with oneself, must accept responsibility for one's actions, must experience and live in the 'here and now,' and must stop blocking off awareness, authenticity, and the like by dysfunctional behaviors. Stanley Herman applies a Gestalt orientation to organization development, especially in working with leader-subordinate relations and team building.

The primary thrust is to make the individual stronger, more authentic, and more in touch with the individual's own feelings; building a better team may result, but it is not the primary desired outcome.

For the best result people must be able to express their feelings fully, both positive and negative. One must 'get in touch' with 'where they are' on issues, relations with others, and relations with selves. They must learn to 'stay with' transactions with others and work them through to resolution rather than suppressing negative feelings or cutting off the transactions prematurely. They must learn to accept the polarities within themselves—weakness-strength, autocratic-democratic urges, and so forth. The Gestalt OD practitioner fosters the expression of positive and negative feelings, encourages people to stay with transactions, structures exercises that cause individuals to become more aware of what they want from others, and pushes toward greater authenticity for everyone.

The Gestalt OD practitioner often works within a group setting, but the focus is usually on individuals. Thus it is necessary to remember that the Gestalt orientation to team building should not be used except by practitioners trained in this method.

6.3.2: TECHNIQUES & EXERCISES USED IN TEAM BUILDING

A number of techniques and exercises are used to facilitate team performance and to address specific problematic issues. Before using these techniques, a careful diagnosis should be made to ensure that the technique is appropriate. Choice of technique depends on the problems that need to be addressed. The appropriate technique must be chosen to solve a given problem.

The major techniques and exercises are mentioned below:

1. Role Analysis Technique

It is designed to clarify role expectations and obligations of team members to improve team effectiveness. This technique is particularly applicable for new teams but it may be helpful for established teams where role ambiguity exists. Here, roles are defined and role requirements are outlined.

The steps of RAT are as follows:

- i. Choose the role to be analyzed (focal role). The role being analyzed at a given time is known as the 'focal role'.
- ii. Identify the place of the role in the organization and achievement of overall organizational goals, the rationale for its existence and the specific duties of the office.
- iii. The focal role incumbent's expectation of others is examined.
- iv. Members of the team describes what they expect from the focal role incumbent. These are discussed and agreed upon by the group and focal person.
- v. Focal person makes a written summary of the role based on the information obtained about the role from this session. This is known as the 'role profile'.
- vi. The role profile is reviewed briefly at the next meeting before another role is analyzed. If accepted that role profile becomes the role activities of the focal person.

This procedure can however be shortened if the focal role is highly visible and there is a clear understanding and high visibility of the activities of all team members.

2. Interdependency Exercise

It aims to improve co-operation among team members. It may also be useful in helping people get used to emerging problems in a team that may be dormant and not examined previously. In addition, it may provide information about present challenges faced in others' areas of responsibility.

The exercise works well with about ten people but gets more cumbersome when more people are involved. The rationale is that each individual interviews every other person in the group. For any given pair, information about important interdependencies between their two jobs or units are exchanged. Also information about what seems to be going well with their interdependencies, present or potential hitches is exchanged. At the end of the interview, the pair set mutual action plans to solve their problems.

Alternatively group interviews could be conducted to shorten the time. Groups of ten people could interview each other about their jobs. In a group each person has a different question. The same questions assignments and questions should be asked by each group. Usually, a standardized questionnaire is given to all members in a group to make sure the same assignments and questions are available to every group. After the interviews, individuals from different groups who asked the same questions meet together to categorize information obtained into themes and report it to the whole group.

3. Role Negotiation Technique (RNT)

Role Negotiation technique is used when intervention aims at people in a teams' unwillingness to change their behaviour because of power or influence that the individual might loose.

Role negotiation is directed at the work relationships among team members. The technique involves a series of controlled negotiations between participants. During the role negotiation, managers frankly discuss what they want from each other and explain why. The steps of role negotiation include the following-

i. Contract Setting: Each member prepares a list for each other member with three headings. (a) things to do more. (b) things to do less, and (c) things to do the same.

ii. Issue Diagnosis: Individuals think about how their own effectiveness would improve if others change their behavior. Thereafter each individual fills out an issue diagnosis form for all other members of the group stating what he/she would like the other to do more of less, maintain or change. Then all group members exchange forms and the messages they received by each group member are written on something like a chalkboard. The idea is that information should be seen by everyone in the group.

iii. Influence Trade: Individuals in pairs talk about the most important behavioural changes they desire from each other as well those changes they are willing to make themselves. Each individual must give up something in order to get something in return.

iv. Written Role Negotiation: The outcome of the role negotiation is set of written agreements spelling out the agreements and concessions which each party finds satisfactory.

4. Appreciation Concerns Exercise

The aim is to increase expressions of appreciation and decrease avoidance of confrontational concerns in addition to irritations within members of a group. There are different versions of these exercises but the basic guideline is as follows:

The steps are listed below:

- i.** Every member of the team is asked to write down one to three appreciations for all other members of the team.
- ii.** Every team member also writes down one or two minor irritations about each team member that may be an impediment to the efficiency of the team.
- iii.** The facilitator makes suggestions and comments as these concerns are written down to keep them within realistic limits.
- iv.** A member volunteers and is the first person to listen to the concerns all other group members have about him.
- v.** Each member of the team has an opportunity to listen.

5. Responsibility Charting

Responsibility Charting is an effective tool to clear up responsibility diffusion- the actual lack of responsibility or supervision when too many people are given responsibility for the same thing. For example, at one organization, many decisions had to be approved by every manager up to the CEO. Each assumed that errors would be caught at the next or previous level, and the CEO himself admitted that he didn't read the form, he just signed them. Thus the organization wasted great deal of time, sent an inappropriate message to its employees, and ended up with less accountability than if people were given responsibility for their own approvals.

Responsibility Charting is a good intervention to use to improve the task performance or a work team. It helps to clarify who is responsible for what on various decisions and actions. It is simple, relevant and effective technique for improving team functioning.

The technique is defined as follows:

First is to construct a grid; the type of decision and classes of actions that need to be taken in the total areas of work under discussion are listed along left-hand side of the grid. The actors who might play some part in decision making on those issues are also identified and listed across the top of the grid.

The process, then, is one of assigning behaviour to each of the actors opposite each of the issues. There are four classes of behaviours:

- i. Responsibility (R) – the responsibility to initiate action to ensure that the decision is carried out.
- ii. Approval required, or the right to veto (A-V) - the particular item must be reviewed by the particular role incumbent, and this person has the option of either vetoing or approving it.
- iii. Support (S) – providing logistical support and resources for the particular item.
- iv. Inform (I) - must be informed and, by inference, cannot influence.

A fifth behaviour (or non- behaviour) is non involvement of a person with the decision; this is indicated on the chart with a ‘-‘(dash).

Some guidelines to conduct this intervention more effectively are:

- i. Assign responsibility to only one person. That person initiates and he is responsible and accountable for the action.
- ii. Avoid having too many people with an approval-veto function on an item. This will slow down task accomplishment or will negate it altogether.
- iii. If one person has approval-veto involvement on most decisions, that person could become a bottleneck for getting things done.
- iv. The assignment functions to persons at times become difficult. For example, a person may want A-v on an item, but not really need it; a person may not want S responsibility on an item but should have it; or two persons each want R on a particular item but only one can have it.
- v. The support function is critical. A person with a support role has to expend resources or produce something that is then used by the person responsible for the action. This support role and its specific demands must be clarified and clearly assigned.

6. Visioning

Visioning is a term used for an intervention in which group members in one or more organizational groups develop or describe their vision of what they want the organization to be like in the future. There are a variety of techniques used but generally they have the following pattern. The steps are as follows:

Visioning Steps

- i. An individual writes the characteristics he/ she desires the organization to have in a year and then two years.
- ii. Display characteristics on the wall using a marking pen and flipchart so that everyone can easily see.
- iii. Team members may ask for clarifications to avoid any sought of debate.
- iv. Teams are then developed from the information obtained in steps 1 to 3 by a subgroup of team members and later report to the whole group.

6. Force-Field Analysis

Force Field analysis is a device for understanding a problematic situation and planning corrective actions. This technique rests on several assumptions:

- a. The present state of things is a quasi-stationary equilibrium representing a resultant in a field of opposing forces.
- b. A desired future state of affairs can only be achieved by making an effort to move the current point of equilibrium to a desired point and stabilizing the equilibrium to that point.
- c. There are two types of forces, which act on this point at any time- The Enabling or Driving forces and Disabling or Restraining forces. Therefore, effort needs to be made to identify and then minimize the impact of restraining forces and maximize the impact of driving forces.

The Force Field Analysis involves the following steps:

Step 1: Decide upon a problem situation you are interested in improving, and carefully and completely describe the current condition. What is the status quo? What is the current condition? Why do you want it to be changed?

Step 2: Carefully and completely describe the desired condition. Where do you want to be? What is the desired state of things?

Step 3: Identify the forces and factors operating in the current force field. Identify the driving forces, which are pushing towards the desired state. Similarly, identify the restraining forces, which are pushing

away from the desired state. This identification of forces should be thorough and exhaustive so that the situation becomes transparent for future action.

Step 4: Examine the forces in detail in terms of their strengths and weaknesses and also identify which ones are within control and which are beyond control and influences.

Step 5: Strategies for strengthening the driving forces and weakening the restraining forces could include any or more of the following:

- a. Add more driving forces; remove the restraining forces or do both.
- b. Select several important adaptable restraining forces and develop action plans to remove them instead of only adding driving forces.
- c. Work towards gaining participants and co-operation from all the concerned. Remember that resistance is maximum from people who fear change for some reason or the other.

Step 6: Implement the action plans that should cause the desired condition to be achieved.

Step 7: Describe what action plans must be taken to stabilize the desired condition and implement those action plans. This is to reinforce the desired condition so that things do not go back to the previous state.

6.4: INTERGROUP INTERVENTIONS

Inter-group interventions are integrated into OD programs to facilitate cooperation and efficiency between different groups within an organization. For instance, departmental interaction often deteriorates in larger organizations as different units battle for limited resources or become detached from the needs of other units.

Conflict resolution meetings are one common inter-group intervention. First, different group leaders are brought together to secure their commitment to the intervention. Next, the teams meet separately to make a list of their feelings about the other group(s). Then the groups meet and share their lists. Finally, the teams meet to discuss the problems and to try to develop solutions that will help both parties. This type of intervention, say supporters, helps to gradually diffuse tension between groups that has arisen because of faulty communication.

OD joint activity interventions involve melding members of different groups to work together toward a common goal. Similarly, common enemy interventions achieve the same results by finding an adversary common to two or more groups and then getting members of the groups to work together to overcome the

threat. Examples of common enemies targeted in such programs include competitors, government regulation, and economic conditions.

Inter-group Team building intervention intends to increase communications and interactions between work related groups to reduce the amount of dysfunctional competition and to replace a parochial independent point of view with an awareness of the necessity for interdependence of action calling on the best efforts of both the groups. Inter-group interventions are integrated into Organizational Development programs to facilitate cooperation and efficiency between different groups within an organization.

The goal of these activities is:

1. To increase communication and interaction between groups.
2. To reduce the amount of dysfunctional competition
3. To replace a parochial independent point of view with an awareness of a necessity for interdependence of action, calling on the best efforts of both groups.

Generally, a significant amount of time and energy is spent in competition, misunderstanding, miscommunication and misperception cause the work groups to become dysfunctional and counterproductive in an organization.

OD methods provide ways to increase intergroup co-operation and communication as described in the following interventions.

Blake, Shepard and Mouton designed the following intervention for situations where relations between groups are strained or hostile.

Step 1: The leaders of the two groups meet the consultant and agree to resolve any difference. They commit their time and energy towards the same.

Step 2: The two groups meet in separate rooms and build two lists. In one list, they give their thoughts, attitudes, feelings and perceptions of the other group- what the other group likes. In the second list, the group tries to predict what the other group is saying about them in it's list- that is, they try to anticipate what the other group dislikes about them, how the other group sees them and so on. Both groups build these two lists.

Step 3: Without discussion, both groups share these lists with one another in presence of the consultant.

Step 4: The two groups return to their meeting places and discuss on what they have learnt about themselves. Very often, they discover that many points are based on misperceptions and miscommunications. After this, the next task is to prioritize issues that still are unresolved.

Step 5: Each group shares the list of resolved and unresolved issues and set priorities of item that need immediate attention and which are important.

Step 6: As a follow up, a meeting is held between the leaders of these two groups to ensure the act in items are being completed. This ensures that the intervention is taken seriously and make it useful.

6.4.1: MAJOR INTERGROUP INTERVENTIONS

OD techniques for dealing with intergroup problem include third-party consultation, the organization mirror, and intergroup team building.

1. Walton's Approach

Walton's approach to third party peacemaking interventions has a lot in common with group interventions but it is directed more toward interpersonal conflict. Third party interventions involve confrontation and Walton outlines confrontation mechanisms. A major feature of this mechanism is the ability to diagnose the problem accurately. The diagnostic model is based on four elements namely the conflict issues, precipitating circumstances, conflict-related acts and the consequences of the conflict. It is also important to know the source of the conflict. Sources could be substantive issues, which is conflict related to practices, scarce resources and differing conceptions of roles and responsibilities. Sources of conflicts could also be emotional issues, involve feelings between the parties, such as anger, hurt, fear, resentment, etc. The former require bargaining and problem solving. The latter require restructuring perceptions and working through negative feelings.

Ingredients of a productive confrontation include the following:

Mutual positive motivation, which refers to the willingness on both parties to resolve the conflict; Balance of power implies any power differentials between the parties involved in a confrontation; Synchronization of confrontation efforts wherein the two parties address the conflict simultaneously; and differentiation and integration of different phases of the intervention must be well paced. The intervention involves working through negative feelings and ambivalent positive feeling. The intervention must allow sufficient time for this process to take place. Conditions that promote openness should be created. This could be done through setting appropriate norms and creating a structure that encourages openness. Reliable communicative signal refers to using language that is understood by the parties involved in the confrontation. Optimum tension in the situation means that the stress experienced by both parties ought to be sufficient to motivate them but not too excessive. General principles on negotiation involve approaches

to people, interests, options and criteria. People have different feelings and perceptions. Therefore it is important to separate people from feelings. Looking at party interests provide a vehicle for resolving conflict rather sticking to inflexible positions that entrench the conflict. Options ought to be generated in order to come up with the best option for resolving conflict. Criteria for evaluating the success of the intervention ought to be clear and objective.

2. Principled Negotiations

Fisher, Ury and Patton described this intervention in the book “Getting to Yes”. The following are the stages in this intervention.

- 1. People:** Separate the people from the problem. People have different perceptions, feelings and data. These differences need to be clarified.
- 2. Interests:** Focus on interests, not positions. Positions lock the parties into an adversarial stance and obscure their underlying interest.
- 3. Options:** Generate a variety of possibilities before deciding what to do. A number of options can provide flexibility in reaching an agreement and options can be invented so that both parties gain.
- 4. Criteria:** Insist that the results be based on some objective standard. Discussions based on objective criteria tend to reduce the pressure and manipulating for dominance and increase the likelihood that a resulting agreement will be perceived as fair.

They also recommend four basic steps, a facilitator can use in helping a group invent options:

- 1.** A description of the problem in terms of what is wrong and what the current symptoms appear to be.
- 2.** Analysis of the problem including sorting symptoms into categories and identifying barriers to resolving the problem.
- 3.** Approaches to solving the problem in terms of possible strategies and “theoretical models”.
- 4.** Action ideas; what might be done and what specific steps might be taken to deal with the problem.

3. Organization Mirror Interventions

The organization mirror is a technique designed to give work units feedback on how other elements or customers of the organization view them. This intervention is designed to improve relationships between teams and increase effectiveness. A work team (which could be in personnel, engineering, production, accounting, and so on) that is experiencing interface problems with related work terms may initiate a feedback session. A consultant or other third party obtains specific information, usually by questionnaire or interview, from other organization groups that the work team contacts daily. The work team meets to process the feedback. At this meeting, it is important that one of two spokespersons from each contacted group be present. The outside key people and the consultant discuss the data collected in an inner circle, while the host group observes on the outside (therefore the term organization mirror). The host group may ask questions of clarification (i.e., Why did you say this?) but may not argue or rebut. The host unit, with the assistance of the consultant, then discusses the data to identify problems. Subgroups are formed of host-group members and key visitors to identify specific improvements that will increase operating efficiency. Following this, the total group hears a summary report from each subgroup, and they outline action plans and make specific task assignments. This completes the meeting, but follow-up meeting to assess progress is usually set up for evaluation. The organization mirror provides a means for a work team to improve its operating relations with other groups. It allows the Team to obtain feedback on what it is doing, to identify key problems and to search for specific improvements of operating efficiency.

4. Partnering

This technique is mainly useful in large Project Construction companies. Partnering is variation of Team-building, inter-group team building and strategic planning having the objective of forming “an effective problem solving management team composed of persons from both the parties. Thus creating a single culture with one set of goals and objective for the project. Ideally, partnering involves all the functions in the construction project. Mainly engineering and design, site management, and head office support. Although, partnering does not solve all the problems, it helps to bring concerned parties together which results in better co-operation and co-ordination.

Partnering begins as soon as the primary parties are selected and is kicked off with a half-day or full-day partnering session. Subsequent partnering re-connect meetings occur over the life of the project to stay on track. The purpose of the partnering session is to help participants to know each other better, develop a shared approach to the project and commit to working together as a true project team.

As part of the session, participants will:

- i) Build rapport and communication between key project personnel;
- ii) Create greater alignment between all parties;

iii) Identify needs, expectations, and roles;

iv) Establish mutually agreed upon goals and guidelines.

6.5: SUMMING UP

OD intervention is an activity which helps the organisation in building team spirit among the employees of the organisation. It is a systematic approach to the organization's improvement that implies the behavioural sciences theory and research which helps to increase individual and organizational well-being and effectiveness. It helps the employees to work in teams easily and also achieve the organizational goals. Thus the depth of OD intervention is the degree or intensity of change that the intervention is designed to stimulate. Interpersonal, group, inter- group and organizational relations all serve as targets of OD intervention.

6.6: RECOMMENDED READINGS

1. Brown, D.R. & Harvey, D. (2006). An experiential approach to Organizational development, (7th ed.). Upper Saddle River, NJ: Prentice Hall.

6.7: QUESTIONS

A. Short Questions

What is the purpose of intergroup team building intervention?

2. Write a note on third party peacemaking intervention.
3. What do you mean by the term organization mirror interventions?
4. What is partnering? What is the purpose of partnering?

B. Essay Type Questions

1. Briefly describe major team interventions approaches.
2. Briefly describe major inter-group interventions in Organization Development.
3. Describe the techniques which are generally used in team building interventions.

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UNIT-7: DIFFERENT OD INTERVENTIONS 2

UNIT STRUCTURE

7.1 OBJECTIVES

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7.3 COMPREHENSIVE INTERVENTIONS

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7.4.6 QUALITY OF WORK LIFE (QWL)

7.4.7 PARALLEL LEARNING STRUCTURE

7.4.8 PHYSICAL SETTINGS

7.4.9 TOTAL QUALITY MANAGEMENT (TQM)

7.4.10 REENGINEERING

7.4.11 LARGE SCALE SYSTEMS CHANGE

7.5 SUMMING UP

7.6 RECOMMENDED READINGS

7.7 QUESTIONS

7.1: OBJECTIVES

On completion of this module you should be able to:

- Visualize the concept of comprehensive and structural intervention.
- Understand how comprehensive intervention works to improve the organizational effectiveness.
- Understand how structural intervention facilitates to improve the organizational effectiveness.

7.2: INTRODUCTION

This module provides an introduction to the theories and techniques for improving organizational effectiveness through comprehensive and structural intervention in Organization Development. OD comprehensive interventions are used to directly create change throughout an entire organization.

Structural change interventions are used by OD change agents to effect organizational alterations related to departmentalization, management hierarchy, work policies, compensation and benefit, incentives programs and other elements.

7.3: COMPREHENSIVE INTERVENTIONS

OD comprehensive interventions are used to create change throughout an entire organization, rather than focusing on organizational change through subgroup interventions. One of the most popular comprehensive interventions is survey feedback. This technique basically entails surveying employee attitudes at all levels of the company and then disseminating a report that details those findings. The employees then use the data in feedback sessions to create solutions to perceived problems. A number of questionnaires developed specifically for such interventions have been developed. Activities involved in comprehensive interventions are stated below:

7.3.1: THE CONFRONTATION MEETING

Confrontation meeting is an activity which allows entire management group, composed of individuals from all levels of the organization to take a quick look at its own health and to set an action plan accordingly for improving it.

This activity is based on

- a) Experience with an action-oriented method of planned change.
- b) It involves the entire organization in a joint action-planning programme.

c) The meeting can be conducted several times with one morning and one evening session involving only two or more hours out of usual working days.

Where it is effective?

- a) Where there is a strong commitment to solve the problems on the part of top management.
- b) Top management intends to improve the conditions quickly.
- c) There is adequate cohesiveness in the top management team to ensure follow-up.

Benefits of Confrontation Meeting

- a) Direct communication is improved;
- b) Morale of employees increases;
- c) Better work culture is adopted;
- d) Improve inter department human relationship;
- e) Get solutions on day-to-day problems.

Elements of Confrontation Meeting

- a) Climate setting
- b) Information collection
- c) Information sharing
- d) Priority setting & group planning
- e) Organization's action plan
- f) Immediate follow-up by top team members
- g) Progress review

a) Climate Setting

In the very beginning, the top executive communicates his objectives to the entire management group for the meeting and his concern for an interest in open discussion and problem facing.

b) Information Collection

The entire group of employees is divided into small heterogeneous units consisting of seven to eight participants. If there is top management group it meets as a separate unit. No boss and subordinates are placed together. Each unit consists of participants from each functional area.

The assignments to these units like:

- 1) Yourself as an individual with needs and goals.
- 2) As a person concerned about total organization.
- 3) What are the obstacles? Obstacles may be concerning to demotivators, poor policies & procedures, unclear goals and Poor attitude.
- 4) What different conditions if any would make the organization more effective and make life in the organization better?

Each unit is advised to choose reporter to present its finding.

c) Information Sharing

Each unit's representative writes his unit's entire results on a sheet paper which is displayed at a meeting hall. Meeting leader provides some major categories in which all the data from all the sheets can be classified. The data sheet is duplicated for the purpose of circulation.

d) Priority Setting and Group Action Planning

It involves one hour or more. The entire group engages itself in a 15 min general session. With the meeting leader the participants go through the raw data on the duplicated sheets and assign a category number to each element of data. Each unit is assigned three specific tasks.

- 1) It is required to discuss the problems and issues which influence its areas of work, and to ascertain the priorities of actions to which the group is willing to commit.
- 2) It is required to identify the issues and problems to which the management team should give maximum priority.
- 3) It is required to ascertain as how to communicate the findings of the session to their subordinates.

e) Organizational Action Plan

It requires two hours. Total group is assembled in a general session. Each functional unit reports its commitments and plans to the total group. Top management is required to react to this list and make

commitments for action where needed. Each unit is required to share briefly its plan for communicating the results of confrontation meeting to all subordinates.

f) Immediate follow-up

Top management team is required to meet immediately after the completion of the confrontation meeting to plan first a set of follow up action which is to be reported ultimately back to the total management group within a few days.

g) Progress Review

After specific intervals progress review of confrontation meeting is to be taken by top management team.

7.3.2: STRATEGIC MANAGEMENT ACTIVITIES

The strategic management activities are defined based on their fitness for the function of developing and sustaining a competitive advantage. This fitness screening filter comes from the broad understanding of the factors involved, such as, the creative destructive nature of the economy, people's cognitive capabilities and the nature of organizations as complex systems.

The strategic management activities are one of the three fundamental elements making up the strategic management framework, strategic management knowledge and understanding. The strategic management activities form and execute strategy. They produce the understanding necessary to develop innovative strategy, the business designs to be deployed, plan the deployment and carry out the deployment. Collectively, this portfolio of activities develops competitive advantage, transforms the business organization and develops the capabilities for the organization's members.

Establishing the Principles

First principles are identified as a basis for the strategic management activities. The following principles are considered in defining the strategic management activities:

- a. Cognitive activities are more effective when separated into common types;
- b. Different types of cognitive activities are naturally conflicting and interdependent;
- c. New ideas and intuition are fragile and must be protected in order to assess their value;
- d. The future is not known but is imaginable;
- e. Diversity of thought leads to better decisions;
- f. Pluralism is a natural condition to be harnessed, not extinguished;
- g. Strategy formation and execution are naturally in conflict while interdependent;
- h. Complex systems are inherently self-organizing;

- i. Changes to complex systems are unknown and experimentation is necessary;
- j. People are drawn to and inspired by a moral purpose;
- k. Learning is essential to survival.

Cognitive Optimization and Integration

The strategic management activities are grouped into four categories based on the similarity and compatibility of the cognitive processes. By grouping these activities in this way, the activities become more explicit. In this way the activities can both be optimized and integrated. If they were not separated in this manner, the execution processes would tend to dominate the creative processes.

Strategy Formation

From a strategic perspective, the exploration activity of the business organization is needed where strategy formation occurs. The two stages of activities are generating wisdom and create art.

Generate Wisdom

The distinctive type of cognitive activity in this stage is that of problem and opportunity formulation - analytical assessment and pattern recognition.

Individuals who excel at this type of thinking should dominate this stage. They should be valued for defining problems, revealing opportunities and updating mental models. For this stage to be effective, it must be separated from problem solving and design. If this separation does not occur, thinking tends toward viewing the world through the lens of existing solutions. This is particularly harmful when the world is changing and the existing tools are no longer the most effective in solving the current problems.

Create Art

The distinctive type of cognitive activity in this stage is that of imagining new possibilities and ultimately making those possibilities tangible enough to further define and exploit them. This produces a novel order or pattern. Individuals who excel at this type of thinking should dominate this stage. They should be valued for their free thinking, creativity and inventiveness. For this stage to be effective, it must be separated from both problem solving and problem definition.

Strategy Execution

From a strategic perspective, the exploitation activity of the business organization is required where strategy execution occurs, exploiting the resources of the business organization.

Applying Science

The distinctive type of cognitive activity in this stage is that of analytical problem solving, design and planning. Individuals who excel at this type of thinking should dominate this stage. They should also be valued for their problem solving, creativity and practical solutions. The objective of this stage is to plan deployment and execution, aligning resources and objectives.

Waging War

The distinctive type of cognitive activity in this stage is that of doing - controlling, directing, accomplishing missions, taking actions and reacting to and resolving immediate issues. Individuals with this orientation should dominate this stage. They should be valued for their decisive action which is reflected through their ability to lead, control and immediate problem solving creativity. They should also be valued for their execution capabilities.

Paradox of Formation and Execution

Strategy formation and strategy execution are inherently conflicting. There are costs to the exploration activities required for strategy formation that don't have quick or visible payback. The exploitation activities of execution tend toward optimization and stagnation of the business model. These two types of activities are paradoxical in nature. The strategic management process needs to give both formation and execution their freedom to operate while integrating them for their mutual benefit.

Forming a Strategic Management Process

The strategic management activities are a collection of activities, with inherent interdependencies, based on strategic management principles. To be effectively applied to an organization, these activities need to be tailored to a particular organization. The strategic management methodology is the approach to developing a specific business organization's strategic management process. This methodology applies the strategic management discipline to a specific business organization, at a specific time, in a specific context, in order to transform the organization through the development of a strong strategic management competency.

7.3.3: SURVEY FEEDBACK

Besides laboratory training (sensitivity and grid), the other major thrust in the development of OD has come from survey research and feedback of data. The basic objectives of survey feedback are as follows:

- 1.** To assist the organization in diagnosing its problems and developing action plan for problem-solving.
- 2.** To assist the group members to improve the relationships through discussion of common problems.

Process of Survey Feedback

Survey feedback usually proceeds with sequential activities involving data collection, feedback of information, developing action plans based on feedback and follow up.

1. Data Collection

The first step in survey feedback is data collection usually by a consultant based on a structured questionnaire. The questionnaire may include different aspects of organizational functioning. ISR has prepared a questionnaire which includes questions on leadership, managerial support, managerial goal emphasis, managerial work facilitation, peer support, peer goal emphasis, peer work facilitation, peer interaction facilitation, organizational climate, communication with the company, motivation, decision-making, control within the company, co-ordination between departments, and general management, satisfaction with the company, satisfaction with the supervisor, satisfaction with the job, satisfaction with the pay and satisfaction with the work group. The questionnaire is administered personally either by the members of consulting firm or by organizations personnel. After the questionnaires are completed, data are classified, tabulated, and analysis is made to arrive at some meaningful conclusions.

2. Feedback of Information

After the data are analyzed, feedback is given to the persons who have participated in the fulfilling up of questionnaire. The feedback may be given either orally or in a written form. In oral system of feedback, it is provided through group discussion or problem-solving sessions conducted by the consultant. Alternatively, feedback may be given in the form of a written summary of findings. Whatever the method of giving feedback is adopted, it should be constructive and suggestive, rather, threatening and emotion-hurting as survey feedback is aimed at identifying weaknesses which must be overcome through follow-up actions and not the fault-finding technique.

3. Follow-up Action

Survey feedback programme is not meaningful unless some follow-up action is taken based on the data collected. One such follow-up action may be to advise the participants to develop their own action plans to overcome the problems revealed through a feedback. Follow-up action may be in the form of developing some specific OD interventions particularly process consultation and team-building by the consultant.

4. Evaluation of Survey Feedback

Survey feedback provides a base for many managerial actions which has been confirmed by various research studies. In particular, survey feedback contributes in the following manner: **1.** It is cost-effective means of implementing a comprehensive OD programme making it a highly desirable technique. **2.** It generates great amount of information efficiently and quickly which can be used in solving problems faced by the organization and its members. **3.** Decision-making and problem-solving abilities of

organization can be improved tremendously because this approach applies the competence and knowledge throughout the organization and the problems faced by it. However, effectiveness of survey feedback depends on two factors. First, questionnaire used and method adopted for its administration should be reliable and valid. If it is biased, all attempts to diagnose the problems will be abortive and futile. Second, even if valid and reliable information is collected, it is of no use unless follow-up action is taken based on the information. A survey feedback is not a technique in itself for change; it provides base for action for change.

7.3.4: REAL TIME STRATEGIC CHANGE

Real time strategic change refers to the simultaneous planning and implementation of individual, groups or organization wide changes.

Following are some of the assumptions underlying the real time strategic change:

- i) The leadership team has decided that organization needs a new strategic direction;
- ii) A draft strategy has been developed prior to the event by leadership team;
- iii) The leadership team is open to feedback on the strategy by participants and revising it based on the feedback;
- iv) The participants in the event comprise the entire management.

Six Key Steps for Developing RTSC

The six steps are as follows:

- i) Identifying the basic issues
- ii) Agreeing on a overall common purpose for the change
- iii) Deciding people to be involved
- iv) Extent to the people influence the strategy development
- v) Clarifying the information to do quality work
- vi) Exploring the people supportive methods and approaches to make Real Time Strategic Change .

7.3.5: STREAM ANALYSIS

It is a system for graphically displaying the problems of an organization, examining the interconnections between the problems, identifying core problems and graphically tracking the corrective actions taken to solve the problems.

Steps of Stream Analysis

1. Categorizing the important features of organizational work setting into four streams - Organizational arrangements, Social factors, Technology Physical setting.
2. Diagnosing the problems and barriers to effectiveness.
3. Classifying the problems into four streams.
4. Identifying the core problems by noting the interconnections between the problems.

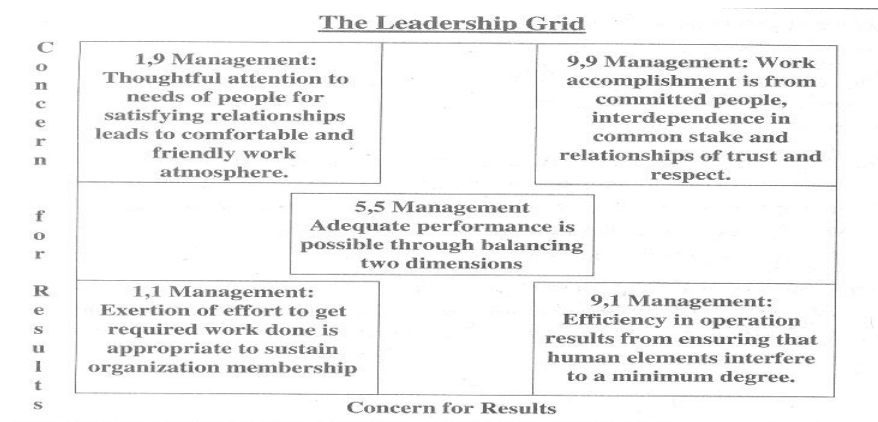
7.3.6: GRID ORGANIZATION DEVELOPMENT

One of the most structured and popular organization wise interventions programs in OD is Grid OD, developed by psychologist Robert Blake and Jane Mouton (1964, 1969)

This approach to OD emphasizes the importance of both helping managers become more effective and systematically creating an ideal strategic model to guide organizational planning and actions. This OD intervention uses a variety of specially designed diagnostic instruments that enable individuals and groups to study their own behaviour and identify areas that need improvement.

Grid and Management Styles

Grid OD proposes those two fundamental dimensions of leader behaviour for understanding managerial effectiveness. These are a) Concern for people and b) Concern for results. Concern for people refers to the consideration of social and interpersonal concern of others. Concern for results involves issues of quality, quantity and overall effectiveness of work outputs. The graphical presentation of the model illustrates the concept further.



The Leadership Grid above identifies five basic managerial styles

1.1 Impoverished Management

Managers falling under this category are just going through their jobs without any real contributions. They are primarily concerned with keeping their jobs and are of little or no value in OD.

9.1 Authority Compliance Task Management

Emphasis is on results and hence creativity and initiative of the subordinates is likely to be stifled. Low concern for interpersonal relationships is also likely to result in low cohesion amongst the group members.

1.9 Country Club Management

The focus of the 1, 9 managers is on creating work environments with pleasant social environment and positive interpersonal relationships. They are primarily concerned with people and their feelings, attitudes and needs rather than results.

5.5 Middle of the Road Management

These managers have a moderate concern for people and results. They use this managerial style to balance employee morale with acceptable levels of work outputs. They try to resolve conflicts through accommodation and compromise.

9.9 Team Management

The 9,9 managers demonstrate high concern for people and results and views these two dimensions of leadership as complementary rather than antagonistic. There is an attempt to integrate personal goals of the employees with the organizational goals through participative decision making. One of the most important assumptions of Grid OD is that 9, 9 management style is the most effective approach for all managers in all the organization.

From an OD perspective, helping managers move to a 9, 9 managerial styles represent critical component of organizational change process which must be preceded by a change in organization's culture.

7.3.7 SCHEIN'S CULTURAL ANALYSIS

Edgar Schein's cultural analysis is especially valuable for dealing with aspects of organizations that seem irrational, frustrating and intractable. Transformation leaders better understand the organization's culture as a basis for planning the transformation programme.

Three Levels of Culture

Edgar Schein's Cultural Analysis tool focuses on looking at organizational culture at three levels:

Artifacts: visible organizational structures and processes -what you see, hear and feel.

Espoused Values: the organization's strategies, goals, priorities and philosophies.

Basic Underlying Assumptions: unconscious, taken for granted beliefs, perceptions, thoughts and feelings.

Steps in Cultural Analysis

a) Bring managers and or frontline staff to discuss organizational culture and begin to identify some of their own assumptions. Give a short input on organizational culture and the distinctions among artifacts, espoused values and underlying assumptions.

b) If there are enough new comers to the organisation they should form a separate group and report back first as they are likely to be the people best who are able to identify the organization's culture.

c) Artifacts are things such as the office layout, the mode of dress, status symbols etc. Capture these on flipcharts.

d) Follow this by a session to encourage the participants to observe some of the values that lie behind the artifacts. Write down these on a flipchart.

e) The facilitator should begin to push for some of the underlying assumptions by noting areas of consistency and areas of inconsistency between artifacts and espoused values.

f) Discuss with the group if the assumptions they have noted form a pattern.

g) Break participants up into smaller groups and get them to identify some more assumptions and then classify them into two categories: those cultural assumptions that will aid the organisation in getting to its goals and those cultural assumptions that will hinder the organisation in getting its goals.

h) This self-diagnosis is then reported back to the total group and analyzed with the help of the facilitator to determine what steps might be appropriate. In this discussion it is crucial that the facilitator helps the group to focus on the useful parts of the culture.

i) From these workshops a series of actions can be developed to align the organizational culture to the strategic direction and goals of the organisation. Through this process frontline staff are involved in owning both the diagnosis and the interventions.

7.3.8: TRANSORGANIZATIONAL DEVELOPMENT

Transorganizational development (TD) aims at assisting organizations in forming and developing alliances for the development of appropriate structures for the communications and decision. Transorganizational development is seen by Cummings to be an important form of organizational change process for transorganizational systems. It comprises business alliances, consortia, or network alliances formed for

such purposes as coordinating services to the public, conducting joint research and development, exchanging technology or gaining access to worldwide markets.

There are three phases in TD practices

Phase 1: Potential members of the organization are identified. TD practitioners assist early members in forming a steering committee, establishing criteria for membership and perhaps serving as brokers to introduce potential partners to each other.

Phase 2: Member organizations are convened. Representatives from member organizations are brought together, sometimes in a search conference, to assess the desirability and feasibility of creating a transorganizational systems (TS). These conferences permit members to share perceptions and ideas to negotiate equitable benefits and to develop action plans.

Phase 3: The TS is organized making. Once common purposes and sufficient motivation have been generated, TD practitioners help members to create the roles, structures and mechanisms needed to coordinate the collaborative efforts of TS members.

7.4: STRUCTURAL INTERVENTIONS

It is called as techno structural interventions. This class of interventions includes changes in how the overall work of an organization is divided into units, who reports to whom, methods of control, the arrangement of equipment and people, work flow arrangements and changes in communications and authority. Different components of Structural Interventions are discussed below:

7.4.1: SOCIO TECHNICAL SYSTEM

It is largely associated with experiments to create better fit among the technology, structure and social interactions of a particular production unit.

Premises of Socio-technical System

- (a) Effective work system must jointly optimize the relationship between their social and technical parts.
- (b) Such system must effectively manage the boundary separating and relating them to the environment. This system tend to feature the formation of autonomous work group, the grouping of core tasks so that a team has major unit of total work to be accomplished, the training of group members in multiple skills, delegation to the work group of many aspects of how the work gets done, and the availability of great deal of information and feedback to work groups for self-regulation of productivity and quality.

7.4.2: SELF-MANAGED TEAMS

A self-managed team has total responsibility for its defined remit. That remit might be a specific project. A self-managed team thrives on interacting skill sets, shared motivation and shared leadership. The team is autonomous and its members are responsible to no one but each other. The team's accountability is based on team's result and not on the performance of its members. Individual performance is an internal team issue. A self-managed team is not just a group of people working together but also a genuine collaboration. It is measured by its results, not the performance of its individual member.

7.4.3: WORK REDESIGN

OD approach to work redesign based on a theoretical model of what job characteristics lead to the psychological states that produce what they call 'higher internal work motivation.'

Organization analyses jobs using the five core job characteristics - i.e. skill variety, task identity, task significance, autonomy and feedback from the job. Skill variety is related to experience, Task identity implies meaningfulness of the work, Task significance implies Job, autonomy is concerning to experienced responsibility for the outcome of the work, Feedback relates to psychological state of knowledge of the result of the work activities.

7.4.4: MBO AND APPRAISAL

For an MBO program to be effective, organization wide OD intervention, senior management must support and actively participate in its implementation. It begins with the top management providing clear statement of organizational purpose or mission so that individual member can align their goals with critical organizational objectives. This statement can then serve as a guide from developing long range goals and strategic planning. Departmental and individual goals can then be derived from organizational goals. Based on extensive reviews of MBO programs, two researchers have identified the following factors for the success of MBO programs:

- a. Organizational commitment
- b. Mutual goals setting
- c. Frequent performance reviews
- d. Some degree of freedom in means for achieving individual goals.

Step1: Formulating Long Range Goals

Senior management defines critical long term objectives and determines how available resources will be used to accomplish these goals. This process then leads to strategic planning activities which describe how the organization will cope with its changing environment.

Step 2: Developing Specific Objectives

In this step, broad organizational objectives are translated into specific measurable outcomes with clearly stated timeframes. Although organizational objectives may include areas such as profitability, market share, and quality, all objectives must be stated in clear terms.

Step 3: Developing Departmental Objectives

Once organizational objectives are clearly specified, each division or department must develop a set of specific goals that will enable the organization to achieve its objectives. These departmental goals must be clearly stated in terms of measurable outcomes.

Step 4: Setting Group and Individual Goals

This step is focused on developing and implementing group and individual level goals in a coordinated manner. This process encourages vertical and horizontal communication in the organization since individual's must clarify their roles and take responsibility for specific results. Individuals goal setting is done in a collaborative manner and will include both personal and professional development objectives.

Step 5: Formulating and Implementing Action Plans

Although clearly stated goals provide a precise description of desired outcome, action plans are needed to provide a way of attaining goals. Action plans systematically identify the methods, activities and resources required to accomplish objectives.

Step 6: Reviewing Goal Progress

Finally, managers must review progress towards achieving the goal by meeting with subordinates in a group or individually. During these meetings, managers and subordinates discuss problems and difficulties involved in completing the goals and evaluated individual performance based on degree to which targeted goals were actually achieved. These meetings may also provide an opportunity to review and modify goals that have become outdated or unobtainable. Once this assessment is complete, the focus shifts from past performance to planning future goals and action plans. Managers and subordinates develop mutually agreed upon goals and formulated a strategy to achieve them.

Although MBO is a widely used approach for enhancing organizational effectiveness, the ways organizations use this intervention vary considerable. Companies such as IBM and Hewlett-Packard, for example, have made MBO an integral part of their cultures. In general, research on the effectiveness of MBO has produced mixed results. To some degree, the success of an MBO intervention depends on the culture of the organization.

In keeping with the principles of OD, implementing an MBO program can be seen as an opportunity for employee development. Managers can assist employees in setting professional work, designing their work

and participating in decision making. MBO seems to work better in organizations having a consultative environment.

7.4.5: QUALITY CIRCLES

Quality Circles are largely a Japanese synthesis of American ideas pertaining to statistical quality control and group dynamics. The outcome of quality circle is currently popular nationally and internationally. Many of these circles have failed because of negligence and lack of efforts. To be successful, the quality circle requires management support and involvement.

This is a voluntary association of a group of persons working in same or similar type of job at the same work area who meet regularly one hour a week during their normal working time to discuss about their work related problems and arrive at a solution which can be implemented by them without additional cost or at a marginal cost.

This group will ideally consists of 8 to 10 members but it should never be less than 5 or more than 15 in number because with less number, sufficient ideas may not come up and more number, indepth discussion will not be possible.

There is a strict discipline in both formation and working of the group. Let us study the process of formation of the Quality Circle and the method of their working. The total quality circle system has 4 stages of formation starting from the group.

1. Steering Committee

This is an apex multidisciplinary group consisting of senior executives of production, maintenance and personnel, Finance, HRD, Quality control etc. areas along with one or two senior level trade union leaders. The total number of member should not exceed 15. The Chief Executive would normally be the chairman of the committee. This committee will decide the areas where Quality Circle programs should be started. They will give broad guidelines to the circles and monitor the activities regularly. This is essential for two reasons.

a. Once the workers know that the top management is really serious about the circles, they will tend to take more interest, otherwise they may feel that it is yet another fad of the management.

b. Since Company's time will be spent for Quality Circle, which in other words means some cost to the organization; the committee would like to ensure adequate return on investment. If the return will be favourable than it will be a great motivator to go for more quality circles.

2. Facilitators

He is a person who is elected by the steering Committee to co-ordinate and direct the activities of different quality circles in his area of responsibility. He has to be specially trained in QC methodology. An external Consultancy may be engaged as facilitator.

3. Leader

Initially to start the QC program, the leader of the group will be selected by the Facilitator with the approval of the steering committee. But once the QC get going, there is no bar for the members to select their own leaders of the group in their day to day working.

4. Members

Voluntary membership of the circle would be called for after the facilitator has explained the philosophy of QC and the need to start such circles in that area of work. As mentioned earlier the members should be working in the same or similar type of job in the same area. If the members of the volunteers become too many, then more than one QC can be formed keeping in view of the ideal number as 8 to 10. This member will be specially trained in problem analysis and problem solving. Thus the QC members will be carefully trained persons and not just a group of voluntary workers. The facilitator and the leader will naturally see to it that the right type of volunteer is associated in the right type of QC.

7.4.6: QUALITY OF WORK LIFE (QWL)

An attempt to restructure multiple dimensions of the organization and to institute a mechanism, which introduces and sustains changes over time.

QWL Features

- Voluntary involvement on the part of employees;
- Union agreement with process and participation;
- Assurance of no loss of job;
- Training for team problem solving;
- Use of quality circles;
- Participation in forecasting, work planning;
- Regular plant and team meetings;
- Encouragement for skill development;
- Job rotations.

7.4.7: PARALLEL LEARNING STRUCTURE

Consists of a steering committee and a number of working groups that: **a)**Study what changes are needed in the organization; **b)**Make recommendations for improvement and **c)** monitor the resulting change efforts.

7.4.8: PHYSICAL SETTINGS

Physical settings are an important part of organization culture that work groups should learn to diagnose and manage, and about which top management needs input in designing plants and buildings. Sometime, physical setting were found to interfere with effective group and organizational functioning. Examples: A personnel director having a secretary share the same office; resulting lack of privacy and typewriter noise, thus adversely affect the productivity of the director.

7.4.9: TOTAL QUALITY MANAGEMENT (TQM)

TQM is also called continuous quality improvement. It is a combination of a number of organization improvement techniques and approaches, including the use of quality circles, statistical quality control, statistical process control, self-managed teams and task forces, and extensive use of employee participation.

Features of TQM

- Primary emphasis on customers;
- Daily operational use of the concept of internal customers;
- An emphasis on measurement using both statistical quality control and statistical process control techniques;
- Competitive benchmarking;
- Continuous search for sources of defects with a goal of eliminating them entirely;
- Participative management;
- An emphasis on teams and teamwork;
- A major emphasis on continuous learning.
- Top management support on an ongoing basis

7.4.10: REENGINEERING

This recent intervention radically redesigns the organization's core work processes to create tighter linkage and coordination among the different tasks. This workflow integration results in more responsive task performance. Reengineering is often accomplished with new information technology that permits employees to control and coordinate work processes more effectively. Reengineering often fails if it ignores basic principles and processes of OD.

7.4.11: LARGE SCALE SYSTEMS CHANGE

Large-scale systems change means organizational change that is massive in terms of the number of organizational units involved, the number of people affected, the number of organizational subsystems altered, and/or the depth of the cultural change involved. Example: a major restructuring with objectives including a reduction in hierarchical levels from 8 to 4.

7.5: SUMMING UP

OD comprehensive interventions are used to create change throughout an entire organization, rather than focusing on organizational change through subgroup interventions. On the other hand, Structural change interventions are used by OD change agents to implement organizational alterations related to departmentalization, management hierarchy, work policies, compensation and benefit, incentives programs and other cornerstones of the business. Often, the implemented changes emanate from feedback from other interventions. One benefit of change interventions is that companies can often realize an immediate and very significant impact in productivity and profitability provided the changes are warranted and implemented appropriately.

7.6: RECOMMENDED READINGS

1. Thomas G. Cummings and Christopher G. Worley, Organization Development and Change, West publishing Company, 1993.
2. Brown, D.R. & Harvey, D. (2006). An experiential approach to Organizational development, (7th ed.). ,Upper Saddle River, NJ: Prentice Hall.
3. French, W.L., & Bell, C.H. (1995). Organization development: Behavioral science interventions for organizational improvement ("Comprehensive Interventions," pp. 209-235). Englewood Cliffs, NJ: Prentice Hall, Inc.

7.7: QUESTIONS

A. Short Questions

1. What do you mean by ‘confrontation meeting’?
2. Discuss different elements of ‘confrontation meeting’.
3. What are the benefits of ‘confrontation meeting’?
4. Define ‘quality of work life’.
5. Mention the features of TQM.
6. Write a note on Schein’s cultural analysis.
7. What is structural intervention?

8. What is meant by reengineering?

9. Write down the features of quality of work life.

B. Essay Type Questions

1. Briefly describe the process of 'survey feedback'.

2. Discuss 'managerial grid' of Blake and Mouton.

3. What is MBO? Briefly describe the steps of MBO process.

4. Define the term 'quality circle'. How is quality circle formed?

5. Describe 'strategic management activities' as a comprehensive intervention.

204 ORGANISATIONAL CHANGE AND DEVELOPMENT

UNIT-8: OD PRACTICES IN INDIAN ORGANIZATION

UNIT STRUCTURE

8.1 OBJECTIVES

8.2 INTRODUCTION

8.3 SPECTRUM OF OD PRACTICES

8.4 CONCEPT OF OD PRACTITIONER

8.4.1 EXTERNAL AND INTERNAL PRACTITIONER

8.4.2 COMPETENCIES OF OD PRACTITIONER

8.5 OD PRACTITIONER STYLES

8.5.1 THE CHEERLEADER STYLE

8.5.2 THE STABILIZER STYLE

8.5.3 THE ANALYZER STYLE

8.5.4 THE PERSUADER STYLE

8.5.5 THE PATHFINDER STYLE

8.6 PROFESSIONAL VALUES AND ETHICS FOR OD PROFESSIONALS

8.7 OD INTERVENTIONS APPLIED BY INDIAN ORGANIZATIONS

8.8 IMPLICATIONS, TRENDS AND FUTURE PERSPECTIVES

8.9 SUMMING UP

8.10 RECOMMENDED READINGS

8.11 QUESTIONS

8.1: OBJECTIVES

On completion of this module you should be able to:

- Understand the concept and types and styles of OD Practitioner.
- Know what kinds of competencies are required as OD Practitioner.
- Visualize the values and ethics of OD practitioner.
- Conceptualize the trends and future perspectives of OD Interventions and applied areas.

8.2: INTRODUCTION

According to the scientific philosopher Karl Popper (1972), all complex systems fall on a continuum between clouds and clocks. He described cloud systems as irregular and unpredictable and clock systems

as regular and predictable. Over the years the practice of organization development (OD) might be described as riding the pendulum between activities driven by ‘clock’ thinking assumptions and activities driven by ‘cloud’ thinking assumptions. In this respect it has much in common with the swinging pendulum of assumptions behind capacity development (CD) practice. Both sets of activity are focused on facilitating change in complex systems.

Organization development, while rooted in human relations and social sciences, has evolved into a field which is truly cross-disciplinary. Historically it has deep roots in social psychology and social change, but has increasingly been focused on improving the effectiveness and productivity of organizations in general, and workplaces in particular. It is important to acknowledge that there are many practitioners, especially in the Southern hemisphere, who have always been committed to the support of organizations and social movements by applying OD and capacity development practices in an integrated way.

Organization development grew out of the human relations traditions of the 1940s and 1950s, and it has had enormous influence on management practices and thinking about how organizational effectiveness can be achieved.

This module stimulates further thinking and debate about what OD brings to capacity development thinking and practice in three ways. Firstly, it provides a historical overview of the roots and branches of OD and some of the ‘pendulum’ of ideas that it has shaped it over time. Secondly, it suggests and points to what OD offers to our understanding and practice of capacity development as the evolution is traced. Finally the module proposes some implications, trends and future perspectives that seem to draw the two practices closer together.

8.3: SPECTRUM OF OD PRACTICES

The increasing and sometimes overwhelming complexity of challenges in organizations over the 1980s and 1990s led to a trend towards specialization among OD practitioners. It could be argued that by the end of the 1990s OD had splintered Organization Development as a Source into a broad mix of practices, each of which had specialists, including those who concentrate on:

- a) Strategic planning;
- b) Facilitating the development of mission and vision;
- c) Organization design;
- d) Corporate culture;
- e) Leadership development of every stripe;

- f) Coaching (at all levels);
- g) Knowledge management and the links to ‘informal knowledge’;
- h) Organizational learning structures and processes;
- i) Change and transition process design and facilitation;
- j) Individual and team group assessments;
- k) Talent management and succession planning;
- l) Team interventions – including how to change dysfunctional teams;
- m) Addressing conflict, managing diversity and other values alignment needs.

By the end of the millennium, with the impact of rapidly accelerating globalization, and the exponential growth of technology, new forms of enterprise and systemic connections were both called for and enabled. With these developments, there was also an increasing need for OD practitioners to be able to convene and facilitate broad stakeholder engagement processes in order to realize systemic change. This is yet another form of specialization and possibly the one that has the most in common with capacity development practice.

8.4: CONCEPT OF OD PRACTITIONER

The system of organizations is very similar, if not the same as, the system of human beings - after all, organizations are made up of humans. Therefore, when trying to understand the field of organization development, it might be useful to compare aspects of the field of organization development to aspects of the field of medicine.

For example, the study of the theories and structures of organizations (often in courses called “organizational theory”) is similar to the study of anatomy and physiology of human systems. Similarly, the study of organizational behavior is similar to the study of psychology and sociology in human systems. Finally, the study and field of organization development compares to the study and field of medicine regarding human systems.

That is, in OD, practitioners might work in a manner similar to “organizational physicians” intending to improve the effectiveness of people and organizations by:

- 1) Establishing relationships with key personnel in the organization (often called "entering" and “contracting” with the organization);

- 2) Researching and evaluating systems in the organization to understand dysfunctions and/or goals of the systems in the organization (“diagnosing” the systems in the organization);
- 3) Identifying approaches (or “interventions”) to improve effectiveness of the organization and its people;
- 4) Applying approaches to improve effectiveness (methods of “planned change” in the organization),
- 5) Evaluating the ongoing effectiveness of the approaches and their results.

8.4.1: EXTERNAL AND INTERNAL PRACTITIONER

In every large-scale planned change program, some person or group is usually designated to lead the change; sometimes it is the OD practitioner. The practitioner then, is the change leader, the person leading or guiding the process of change in an organization. Internal practitioners are already members of the organization. They may be either managers practicing OD with their work groups or OD specialists that may be from the human resources or organization development department. External practitioners are brought in from outside the organization as OD specialists and are often referred to as consultants. Both the use of external and internal practitioners have advantages and disadvantages. The OD practitioners who are specialists, whether from within or outside of the organization are professionals who have specialized and trained in OD and related areas, such as the social sciences, interpersonal communications, decision making, and organization behavior. These specialists, often referred to as OD consultants, have a more formal and involved process when they enter the client system than managers who are doing OD with their work group. Although much of the chapter is directed at OD practitioners who are specialists, the concepts also apply to OD practitioners who are managers and team leaders implementing OD.

The External Practitioner

The external practitioner is someone not previously associated with the client system. Coming from the outside, the external practitioner sees things from a different viewpoint and from a position of objectivity. Because external practitioners are invited into the organization, they have increased leverage (the degree of influence and status within the client system) and greater freedom of operation than internal practitioners. Research evidence suggests that top managers view external practitioners as having a more positive role in large-scale change programs than internal practitioners. Since external practitioners are not a part of the organization, they are less in awe of the power wielded by various organization members. Unlike internal practitioners, they do not depend upon the organization for raises, approval, or promotions. Because they usually have a very broad career base and other clients to fall back on, they tend to have a more independent attitude about risk-taking and confrontations with the client system. At McKinsey & Co., a leading management consulting firm, consultants are direct, outspoken, and challenge the client’s opinions. Once “The Firm” (as McKinsey is called) is hired, a four- to six-person “engagement team” is

assembled, with an experienced consultant to coordinate the effort. Bear in mind, though, that McKinsey's management consulting work is not necessarily organization development. The disadvantages of external practitioners result from the same factors as the advantage. Outsiders are generally unfamiliar with the organization system and may not have sufficient knowledge of its technology, such as aerospace or chemistry. They are unfamiliar with the culture, communication networks, and formal or informal power systems. In some situations, practitioners may have difficulty gathering pertinent information simply because they are outsiders. Our Changing World illustrates problems that outside management consulting firms face in Germany.

The Internal Practitioner

The internal practitioner is already a member of the organization: a top executive, an organization member who initiates change in his or her work group, or a member of the human resources or organization development department. Many large organizations have established offices with the specific responsibility of helping the organization implement change programs. In the past few years, a growing number of major organizations (including Disney, IBM, General Electric, General Motors, Honeywell, Union Carbide, and the US. Army and Navy) have created internal OD practitioner groups. These internal practitioners often operate out of the human resources area and may report directly to the president of the organization. Internal practitioners have certain advantages inherent in their relationship with the organization. They are familiar with the organization's culture and norms and probably accept and behave in accordance with the norms. This means that they need not waste time becoming familiar with the system and winning acceptance. Internal practitioners know the power structure, which are the strategic people, and how to apply leverage. They are already known to the employees, and have a personal interest in seeing the organization succeed. Unfortunately, it is by no means easy for internal practitioners to acquire all the skills they will need. The proof is in the problems encountered by new, not quite ready internal practitioners or managers who take on projects before they are fully comfortable with their practitioner roles in the organization, and before they understand and have developed critical skills. The position of an internal practitioner also has disadvantages. One of these may be a lack of the specialized skills needed for organization development. The lack of OD skills has become a less significant factor now that more universities have OD classes and programs and their graduates have entered the workforce. Another disadvantage relates to lack of objectivity. Internal practitioners may be more likely to accept the organizational system as a given and accommodate their change tactics to the needs of management. Being known to the workforce has advantages, but it can also work against the internal practitioner. Other employees may not understand the practitioner's role and will certainly be influenced by his or her previous work and relationships in the organization, particularly if the work and relationships have in anyway been questionable. Finally, the internal practitioner may not have the necessary power and authority; internal practitioners are sometimes in a remote staff position and report to a mid-level

manager. The OD practitioner must break through the barriers of bureaucracy and organizational politics to develop innovation, creativity, teamwork, and trust within the organization.

8.4.2: COMPETENCIES OF OD PRACTITIONER

Competencies of an OD Consultant to lead a change effort are more complex than hiring a lawyer for legal consultation or an economist for financial forecasting. Unlike other consultants, professional who will serve as OD Consultants need to have a broad range of competencies that, unfortunately, do not come with prestigious academic or business credentials alone. Hiring an unsuccessful OD Consultant is usually the result of faulty selection and evaluation procedures. Organizations are much more likely to hire the wrong kind of OD consultant if they fail to develop selection criteria unique to its organization needs.

When the wrong consultant is hired, OD programs often fail to get started or stall midway through the process.

There is a comprehensive list of competencies for a successful OD Consultant. To guide an OD intervention all the way to successful completion requires a special set of knowledge, skills and abilities.

8.5: OD PRACTITIONER STYLES

Organizational practitioners assist with transitions associated with policy and procedure changes. Organizational practitioners, also referred to as change agents, are directly involved in organizational functions where a change in policy, procedure, leadership or even business model are concerned. The primary objective of the organizational practitioner is to act as the liaison between upper tier management and employees or team members of the organization. It is the role of the organizational practitioner to work between both parties to ensure change is understood and put in to practice. Depending on the change being made, or the type of organization in question, different organizational practitioner styles are available to help suit the needs of each organization's unique make up.

8.5.1: THE CHEERLEADER STYLE

The Cheerleader Style of an organizational practitioner is a variation which is the most enthusiastic in the practitioner's approach and personality when working towards change. This style is characterized by the practitioner remaining upbeat and motivated. Similar to a typical cheerleader, this style is used when the happiness of those being directed is deemed important, and is also helpful when change issues could affect morale.

8.5.2: THE STABILIZER STYLE

Organizational practitioners operating under the guise of a Stabilizer Style work in a manner that is neither overt nor undercover. This style is highlighted by the practitioner's ability to work with teams and groups

in a calm and rational manner, with the goal of causing as little disruption as possible. This style is preferred by upper management and larger organizations to assist with change in policy or procedure which may be viewed as negative or out of character for the organization. The 'Stabilizer' keeps a balance between the needs and goals of management and the layman's thought processes and feelings.

8.5.3: THE ANALYZER STYLE

Using the Analyzer Style, an organizational practitioner uses analytical techniques to work on problems, issues, concerns and logistics. This method places the overall goals and needs of the organization, as an entity, above the needs of individual members of the organization or specific teams. This method is useful in situations in which the organization is willing and able to handle backlash, while allowing the organizational practitioner to remain focused on solely working towards goals and solutions alone; without having to handle the input of others. This is a task-oriented style.

8.5.4: THE PERSUADER STYLE

The Persuader Style works on maintaining harmony in situations where change or process and policy could have a negative impact on morale, work environment or thought process. This method requires the organizational practitioner to remain neutral in both thought and approach. Maintaining a low-key approach and staying on task is one of the ways in which this style is unique. This is the least confrontational approach, as the organizational practitioner works independently on tasks and does not seek the input of others; but rather helps persuade others that the task is right on track.

8.5.5: THE PATHFINDER STYLE

The Pathfinder Style is the most team-oriented and focused method one can opt for. One of the primary functions of this style is for the organizational practitioner to lead a team by rallying team members to keep everyone focused on the same goal. The premise of this style is rooted in the theory that strength exists in numbers. The organizational practitioner leading the charge is referred to as a "Pathfinder," as it is up to the practitioner to keep everyone moving in the same direction and actively involved.

8.6: PROFESSIONAL VALUES AND ETHICS FOR OD PROFESSIONALS

Organizational development (OD) is a planned system-wide change that uses behavioral science and humanistic values, principles and practices to achieve greater organizational performances, productivity and performances. Thus, OD practitioner has to have values to be in harmony with the organizational performance.

Values are set of manners that individuals learn while growing up. It is different from ethics because ethics are publicly agreed on, and publicly stated, guidelines for a practice in a profession. Why is it important for OD practitioners to have his/her own values? It is important and necessary because mostly,

his/her judgment will depend on his/her values. It is also important that the OD practitioner and the organization have aligned values so that they could be able to work hand in hand and there would be purpose in what they are doing.

The code of ethics are being used by the practitioners so that they would have common reference and to enhance the practitioner's sense of identity as a global professional community. The presence of the code of ethics, values, and beliefs is that to prevent the occurrence of ethical concerns, issues or problems in the helping-consulting process. OD practitioners also encounter ethical dilemmas especially when consultants have to make difficult choices or decisions based on values. Here are some examples:

1. A decision that requires a choice between two or more personally held values
2. A decision that requires a choice between personal values and the values held by another person or the organization
3. A decision that requires a choice between basic principles and the need to achieve a desired outcome
4. A decision that requires a choice between two or more individuals or groups to whom one has an obligation

OD practitioners are guided by:

P – Personal values and Beliefs

U – Universal Beliefs and Direction

L – Legal Implications

P – Policies and Procedures

Also OD practitioners might work in a manner similar to “organizational physicians” intending to improve the effectiveness of people and organizations by:

- 1) Establishing relationships with key personnel in the organization (often called “entering” and “contracting” with the organization);
- 2) Researching and evaluating systems in the organization to understand dysfunctions and/or goals of the systems in the organization (“diagnosing” the systems in the organization);
- 3) Identifying approaches (or “interventions”) to improve effectiveness of the organization and its people;
- 4) Applying approaches to improve effectiveness (methods of “planned change” in the organization);

5) Evaluating the ongoing effectiveness of the approaches and their results.

Whenever professionals offer advice or intervene in the affairs of individuals, groups, organizations or government agencies, questions arise concerning honesty, fairness and conflict of interests.

Ethics refer to issues or practices that should influence the decision making process in terms of “doing the right thing”. In other words, ethics reflect the morals- what is considered right or wrong of a society or a culture.

As an OD professional, it is critical that some ethical guidelines are committed to and followed religiously. The following are some of them: (Source The OD Institute, 1994)

I. Responsibility to Self

A. Act with integrity; be authentic and true to self.

B. Strive continually for self-knowledge and personal growth.

C. Recognize personal needs and desires and, when they conflict with other responsibilities, seek all –win resolutions of those conflicts.

D. Assert own economic and financial interest in ways that are fair and equitable to self as well as to clients and their stakeholders.

II. Responsibility for Professional Development and Competence

A. Accept responsibility for the consequences of acts and make reasonable efforts to ensure that services are properly used; terminate services if they are not properly used and do what he/she can to see that any abuses are corrected.

B. Strive to achieve and maintain a professional level of competence for both self and profession by developing the full range of own competence and by establishing collegial and cooperative relations with other OD professionals.

C. Recognize own personal needs and desires and deal with them responsibly in the performance of professional roles.

D. Practice within the limits of my competences, culture and experience in providing services and using techniques.

E. Practice in cultures different from own only with consultation from people native to or knowledge about those specific cultures

III. Responsibility to Clients and Significant Others

- A.** Serve the long term well-being, interest and development of the client system and all its stake holders, even when the work being done has a short term focus.
- B.** Conduct any professional activity, program or relationship in ways that are honest, responsible, and appropriately open.
- C.** Establish mutual agreement on a contract covering services and remuneration.
- D.** Deal with conflicts constructively and avoid conflicts of interest as much as possible.
- E.** Define and protect the confidentiality of client-professional relationship.
- F.** Make public statements of all kinds accurately, including promotion and advertising, and give services as advertised.

IV. Responsibility to the Profession

- A.** Contribute to continuing professional development for self, other practitioners and the profession. Promote the sharing of OD knowledge and skill.
- B.** Work with other OD professionals in ways that extremely what our profession says we stand for.
- C.** Work actively for ethical practice by individuals and organizations engaged in OD activities and in, case of questionable practice, use appropriate channels fro dealing with it.
- D.** Act in ways that bring credit to the OD profession and with due regards for colleagues in other professions.

V. Social Responsibility

- A.** Act with sensitivity to the fact that my recommendation and actions may alter the lives and well-being of people within client systems and the larger systems of which they are subsystem.
- B.** Act with awareness of the cultural filters which affect my view of the world, respect cultures different from my own and be sensitive to cross-cultural and multicultural differences and their implications.
- C.** Promote justice and serve the well being of all life on Earth.
- D.** Recognize that accepting this Statement as a guide for my behaviour involves holding myself to a standard that may be more exacting than the laws of any countries in which I practice, the guidelines of any professional associations to which I belong, or the expectations of any clients.

8.7: OD INTERVENTIONS APPLIED BY INDIAN ORGANIZATIONS

1. Training
2. Action research
3. Survey feed back
4. Human resources development and its audit
5. Role focused interventions
6. Person focused interventions

1. Training as an OD Intervention

Training, today in organizations is viewed as continuously evolving, dynamic networks of interactions between different participants and interest groups within and around the organization. This doctrine is very much different from the past perception of training as a static and mechanistic activity to address deficiencies. Training raises the consciousness of participants, makes people aware of the gaps between reality and ideals, provides a common language to articulate shared problems and difficulties generates ideas for change, and creates greater energy for change. As a consequence of such dynamic and multifaceted approach, training has proved to be an effective OD intervention. One finds that in-house training programmes are commonly held at various levels of the hierarchy, whether or not the organization has formally launched any OD efforts. Any OD process is initiated with a thorough diagnosis of the symptoms. Training workshops can be effectively used to diagnose organizational issues without sacrificing the educational objectives of these programmes.

In 1983, Chemcorp realized an urgent need to train staff (three groups the senior management, middle management and supervisory staff) throughout the corporation. The Tata Management Centre was approached for the same. Tata Management Center decided to first conduct a training needs assessment workshop to determine the scope and content of training followed by a workshop for the Chairman & Managing Director (CMD) and top management to agree on the strategic direction which would provide a basis for the training.

2. Action Research Intervention

Action research is a data based problem solving model that replicates the steps involved in the scientific method of inquiry. As an OD intervention, action research has pointed out to more efficient resolution of practical problems, better understanding of ground realities by social scientists and generation of new

insights for theory building. How it can be used as an intervention to initiate change is explained in the case of The Indian Chemical Company (ICCL) (Ramnarayan, Rao and Singh, 1998).

3. Survey Feedback Intervention

Although survey feedback was recognized as a potential OD tool for a long time, corporate India used it only from mid 1970s onward as an important part of HRD function. The survey feedback has been used extensively by T. V. Rao, in a various capacities.

Among Indian organizations that use survey feedback as a sensing instrument are Crompton Greaves and Larsen & Toubro (L & T). While L & T started its HRD activities in a systematic way in 1975 and has been using organizational climate survey, Crompton Greaves used the same in 1982. Both organizations experienced climate surveys as critical tools to provide insights into areas requiring improvements. On the basis of initial experience, Crompton Greaves has even made this survey research an institutionalized biannual affair.

The consultants then analyzed the data obtained through the workshop. The top management was given detailed training on conceptual issues. Detailed feedback on various organizational issues was provided which further helped the top team to develop a collaborative culture and implement innovative and efficient systems leading to overall organizational effectiveness.

4. Human Resource Development Intervention

Perhaps India is the first country to formally establish a totally dedicated HRD (Human Resources Development) Department separated from the Personnel Department. This was designed in the year 1974 when the term HRD itself was not very popular in the USA. Two consultants from the Indian Institute of Management, Ahmadabad Dr. Udai Pareek & Dr. T V Rao after reviewing the effectiveness of the performance appraisal system and training in Larsen & Toubro recommended an Integrated HR System to be established and the department dealing with development issues be separated out from the personnel department and be called the HRD department. Thus the first HRD department was established. It was followed in the banking sector by the State bank of India and its Associates to start a series of new HRD departments. By late seventies, the concept of HRD and the need for having separate HRD departments picked up momentum. In Pareek and Rao's model of HRD department the objective of this department is to facilitate learning and change in the organizations. This department is supposed to have learning specialists who facilitate change process.

In their model, OD was conceived as one of the main tasks of the HRD department. Thus an attempt was made to institutionalize OD through HRD departments. As the departments picked up momentum, a lot of OD work had begun to be done through the HRD departments. In fact most change interventions have

been and are being made by the HRD departments. The HRD Managers in India do undertake a number of interventions which may be classified as OD interventions. The nature of interventions undertaken by the HRD departments include:

- a) Cultural change through new performance management systems in most cases these are undertaken also by a separate group of professionals
- b) Role clarity and Role negotiation exercises
- c) Training
- d) Career Planning and Succession exercise
- e) Assessment Centers and promotion policies
- f) Visioning and value clarification exercises
- g) Performance coaching workshops
- h) Team building interventions

The Academy of Human Resources Development has come up with a concept of IOAC (Individual and Organizational Assessment Center) which is becoming popular as an intervention by the HRD departments.

In this concept the HRD department establishes an Assessment Center with the purposes of assessing and developing the competencies of individuals as individuals, individuals in relation to their current and future roles, dyadic relationships, teams, inter team collaboration and work and organizational climate and synergy.

5. Role Focused Intervention

A large number of organizations have used role based interventions. Whenever there is a restructuring exercise, — role clarity becomes an issue. Many organizations in India keep conducting role clarity and role negotiation exercises. The role negotiation exercises normally are between departments. Indian managers tend to differentiate themselves fast and develop departmental loyalties too soon. As a result, some times the organizational goals suffer and interdepartmental conflicts increase. Role negotiation exercises, therefore, have been a very common practice to build a collaborative and synergistic culture. Udai Pareek's book 'Managing Organizational Roles' is a classic book and is widely used in India.

Role Efficacy Lab (REL) is a short process oriented programme to diagnose the level of role efficacy in a group of employees in the organization and take steps to raise that level. The objective of such an

intervention is to enable understanding of individual and group commitments with the top management, creating an opportunity to get moral support and reinforcement from the top management and providing a forum for top management to comment on the managers' expectations and accordingly prepare action plans. RELs are also very common in India. They are normally done as a part of training or restructuring interventions. As a training tool it aims at enhancing role efficacy. Role efficacy as a concept was formulated by Udai Pareek in the mid-seventies. (Ramnarayan, Rao and Singh 1998, p.110)

6. Person Focus Intervention

All people focused interventions focus on individuals working in organizational context and have great relevance to various HRD subsystems like training, performance development, counseling, etc. These interventions can be mainly classified as: Participant active interventions, encounter groups, role playing, instrumentation, self study & reflections. These are used largely as training interventions.

However organizations are increasingly using instrument based feedback. Use of MBTI, FIRO-B, 16 PF and such other instruments is a common. There are a number of handbooks of Psychological and Social Instruments published in India. Notable among these are the one by Pareek (1997) and Pareek and Rao (1975), and Pestonjee (1997). Self Assessment through Feedback on Instruments (SAFI services) was an organizational intervention to promote self assessment for managerial effectiveness in late seventies. A few organizations have established such centers but they have not taken off due to lack of trained manpower and sustainable interest of HRD departments.

8.8: IMPLICATIONS, TRENDS AND FUTURE PERSPECTIVES

There is well-established evidence demonstrating that OD interventions lead to improved organizational effectiveness and health, and facilitate collective problem solving and the achievement of shared goals by members of an organization. At the same time, critical voices, both in the OD field and outside it, have argued in recent times that due to its relatively narrow focus on a humanist view of change.

OD has failed to evolve and to adequately address today's complex and rapidly shifting environments. In order to retain its relevance there are at least two important questions that the field must address (Bradford and Burke, 2005).

- i) What can OD do in terms of facilitating strategic, scaleable change within complex, interdependent systems (within organizations as well as across organizations, systems and societies more broadly)?
- ii) Where is the evidence that OD interventions contribute to effectiveness? OD practitioners need to be more rigorous in evaluating change processes and their outcomes.

As we face the challenges of the next decade, there are a number of topics which could form a shared agenda and a new field of convergence between CD and OD.

Here are some examples.

i) ‘Up-scaling’ Change: What does this mean? How does it work in various contexts? How can societal innovations be accelerated?

ii) CD/OD Practitioners as ‘idea’ Innovators : what approaches need to be taken to stimulate innovative thinking, discourse, 112 Capacity development in practice – Establishing Your Practice knowledge-creation, social interaction, resource expenditure and allocation, and policy and/or legislation shifts?

iii) The Practitioner as a Leader: what are the critical elements of leadership by OD/CD practitioners? Possible components might include questioning the strategic context and/or directions of decision-makers in all sectors at the community/organization level and beyond. Practitioners could also help to identify key innovations at local level and help to promote these to key decision-makers, drawing on their judgement to determine the best approach for this.

iv) Fostering Leadership: What do OD/CD practitioners need to bring in order to enable leaders and other actors and/or stakeholders to address conflict (especially deep-seated values conflicts) productively; take up appropriate roles in various phases and processes of change; and collaborate constructively in networks and other forms of loosely-coupled organizations?

v) Developing improved ways of monitoring and measuring change as it happens, to understand who and how much has changed as well as to understand why.

Here, capacity development practice already has some notable innovations and approaches that OD could benefit from. Given the number of complex and intractable issues that need to be addressed on our planet, it is time for these two ‘strands’ of change practitioners to rediscover their shared interests and skills, and to explore how they can bring their strengths into alignment. The case for coming together is further strengthened by the recognition that sustainable solutions for some of the big issues societies face require more collaboration and innovation across historical boundaries like private, public or civil society. The development sector recognizes this and it opens up new possibilities for OD and CD to learn from each other’s experiences and bring their collective experience of these sectors together to support the level of collaboration and innovation required between and across the different organizational types.

8.9: SUMMING UP

Over the years, Organizational Development (OD) has continued its growth and its orientation toward solving organizational problems. It is certainly an important way of changing and improving

organizations. Measurement and Evaluation of OD interventions effectiveness has also been given due importance by various practitioners.

8.10: RECOMMENDED READINGS

1. Thomas C. Head, Terry Armstrong, and Joanne, “ The Role of Graduate Education in Becoming a Competent OD Professional,”.
2. W. Warner Burke, Organization Development, Addison –Wesley Publishing Company, 1994.

8.11: QUESTIONS

A. Short Questions

1. Who is called OD practitioner?
2. Clearly distinguish between internal practitioner and external practitioner?
3. Write a note on ‘styles of OD practitioner’.

B. Essay Type Questions

1. Briefly describe the competencies of OD practitioner.
2. Describe professional values and ethics of OD practitioner.
3. Briefly describe the trends and future perspectives of OD interventions.
4. Give a brief note of OD interventions applied by Indian organizations.