

Unit 1

ORGANIZATIONAL DEVELOPMENT

Objectives

1. To understand the concept of Organisational Development and its Relevance in the organisation
2. To Study the Issues and Challenges of OD while undergoing Changes
3. To get an Understanding of Phases of OD Programme
4. To Study the OD Intervention to meet the Challenges faced in the Organisation
5. To get an Insight into Ethical Issues in OD

Definition-what is an organization

An organization is the planned coordination of the activities of a number of people for the achievement of some common explicit purpose or goal, through division of labor and function, and through a hierarchy of authority and responsibility –(Edgar Shein)

Definition

Organization Development (OD)

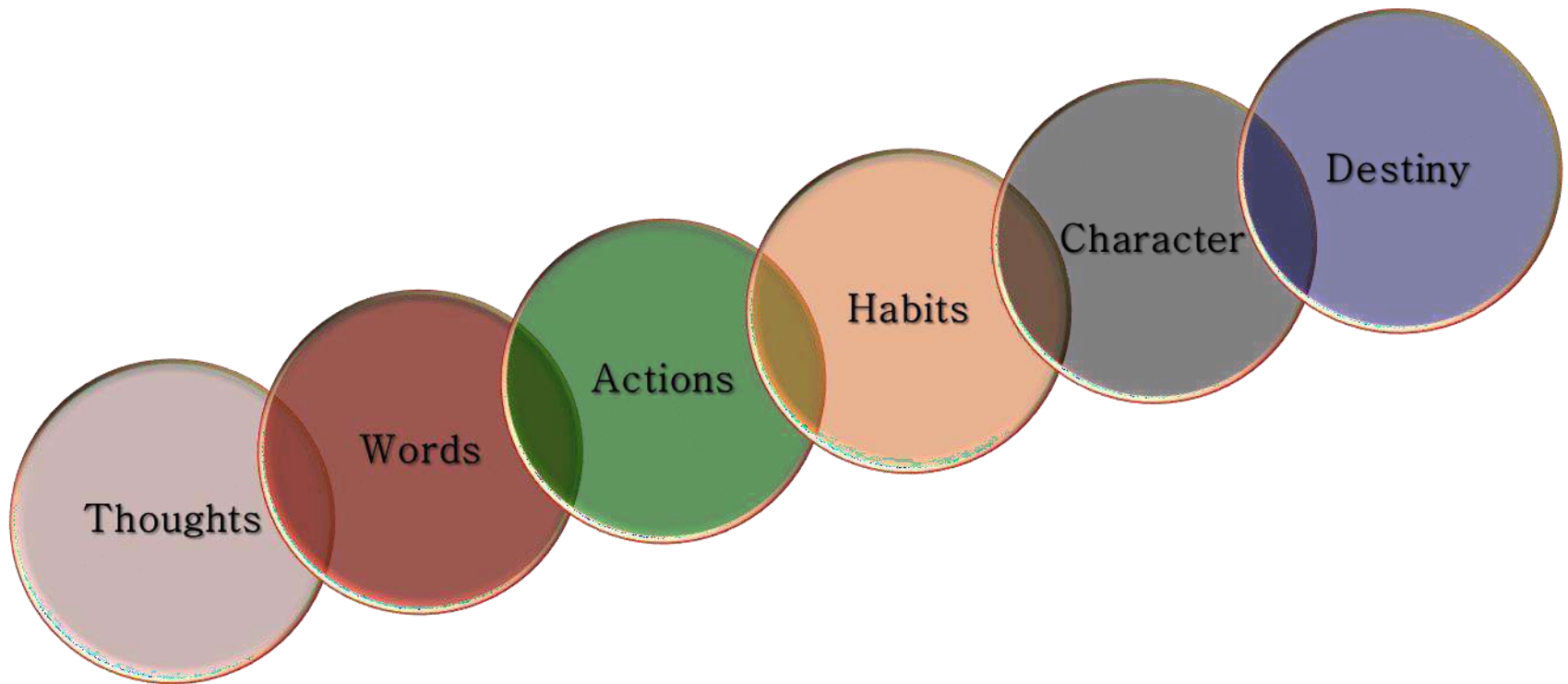
OD is an effort (1) planned (2) organization wide (3) managed from the top (4) increase organization effectiveness and health through (5) planned interventions in the organization's processes, using behavioral science knowledge.
(Richard Beckhard)

Why Study OD ?

- ⑩ Can improve individual performance
- ⑩ Create better morale
- ⑩ Increase organizational profitability



Journey of Life.....



Why Study OD ?

- Organizational Development or O.D. is a planned effort initiated by process specialists to help an organization develop its diagnostic skills, coping capabilities, linkage strategies(in the form of temporary and semi-permanent systems) and a culture of mutuality.
- A planned effort – thinking and planning
- initiated by process specialists
- Diagnostic skills- data collection-overtime
- Coping capabilities-problem-solving,confront and cope
- Linking strategies-Indl.& Organl. Goals
- Culture of Mutuality-OCTAPACE-fostering of certain values and open and proactive systems viz. openness,confrontation, trust, authenticity,pro-activeness, autonomy, collaboration and experimentation.

Related to OD

- Vision and Mission
- Behavior of the Organization
- Individual Behavior
- Structure of the Organization
- Culture of the Organization

WHY DO OD?

- **Human resources**
- **Changing nature of the workplace**
- **Global markets**
- **Accelerated rate of change**



Distinctive Features of OD

- an OD program is a long range, planned and sustained effort that is based on an overall strategy.
- consultant establishes a unique relationship with the client system: the consultant seeks and maintains a collaborative relationship of relative equality with the organization members

Benefits

- It mainly tries to deal with the changes throughout the organization or in any one of the major units.
- It develops greater motivation.
- It increases productivity.
- A better quality of work.
 - It creates higher job satisfaction
 - Team work is improved and encouraged
 - It finds better solution for conflicts
 - Commitment to objectives
 - Increases the willingness to change
 - Absenteeism is reduced.
 - Turnover is lower

Limitations

- Organizational development is long-way process and requires more time.
- It consists of substantial expense, delayed payoff periods
- Failures are possible
- Possibility for invasion of privacy
- Possible for psychological harms
- It emphasizes only in group process compared to performance
- Conceptual ambiguity is possible.

MODELS AND THEORIES OF CHANGE

- Kurt Lewin – THREE STAGE MODEL

KURT LEWIN – THREE STAGE MODEL



Kurt Lewin

Change is a three-stage process

Stage 1- Unfreezing the old behavior/ situation

Stage 2 - Moving to a new level of behaviors

Stage 3 - Refreezing the behavior at the new level

❖ Unfreezing

- ↳ Focus is to create the motivation to change
- ↳ Begin by disconfirming the usefulness or appropriateness of employees' present behaviors or attitudes

❖ Changing

- ↳ providing employees with new information, new behavioral models, new processes or procedures, new equipment, new technology, or new ways of getting the job done
- ↳ change can be aimed at improvement or growth, or it can focus on solving a problem such as poor customer service or low productivity

❖ Refreezing

- ↳ Change is stabilized by helping employees integrate the changed behavior or attitude into their normal way of doing things
- ↳ Giving employees the chance to exhibit new behaviors, which are then reinforced

The Seven stage model of change

Kurt Lewin's Three -Stage Model : as modified by Lippitt & others

1. Developing a need for change. (Lewin's **unfreezing** phase)
2. Establishing a change relationship. In this phase a client system in need of help and a change agent from outside the system establish a working relationship
3. Clarifying or diagnosing the clients system's problem
4. Examining alternative routes and goals; establishing goals and intentions of actions

5. Transforming intentions into actual change efforts. Phases 3, 4 and 5 correspond to Lewin's **moving** phase
6. Generalizing and stabilizing change. This corresponds to Lewin's **refreezing** phase
7. Achieving a terminal relationship, that is, terminating the client-consultant relationship

The Burke-Litwin Model of Organizational Change

- (a) **First-order change**- transactional, evolutionary, adaptive, incremental, or continuous change
- (b) **Second-order change**- transformational, revolutionary, radical, or discontinuous change
n.b.. O. D. programs are directed toward both first-order and second order change with an increasing emphasis on second -order transformational change.

ORGANIZATIONAL DEVELOPMENT

The Burke-Litwin Model of Organizational Change

First-Order

1. Structure
2. Management Practices
3. Systems

(Transactional)

Second-Order

1. Mission and Strategy
2. Leadership
3. Organizational Culture

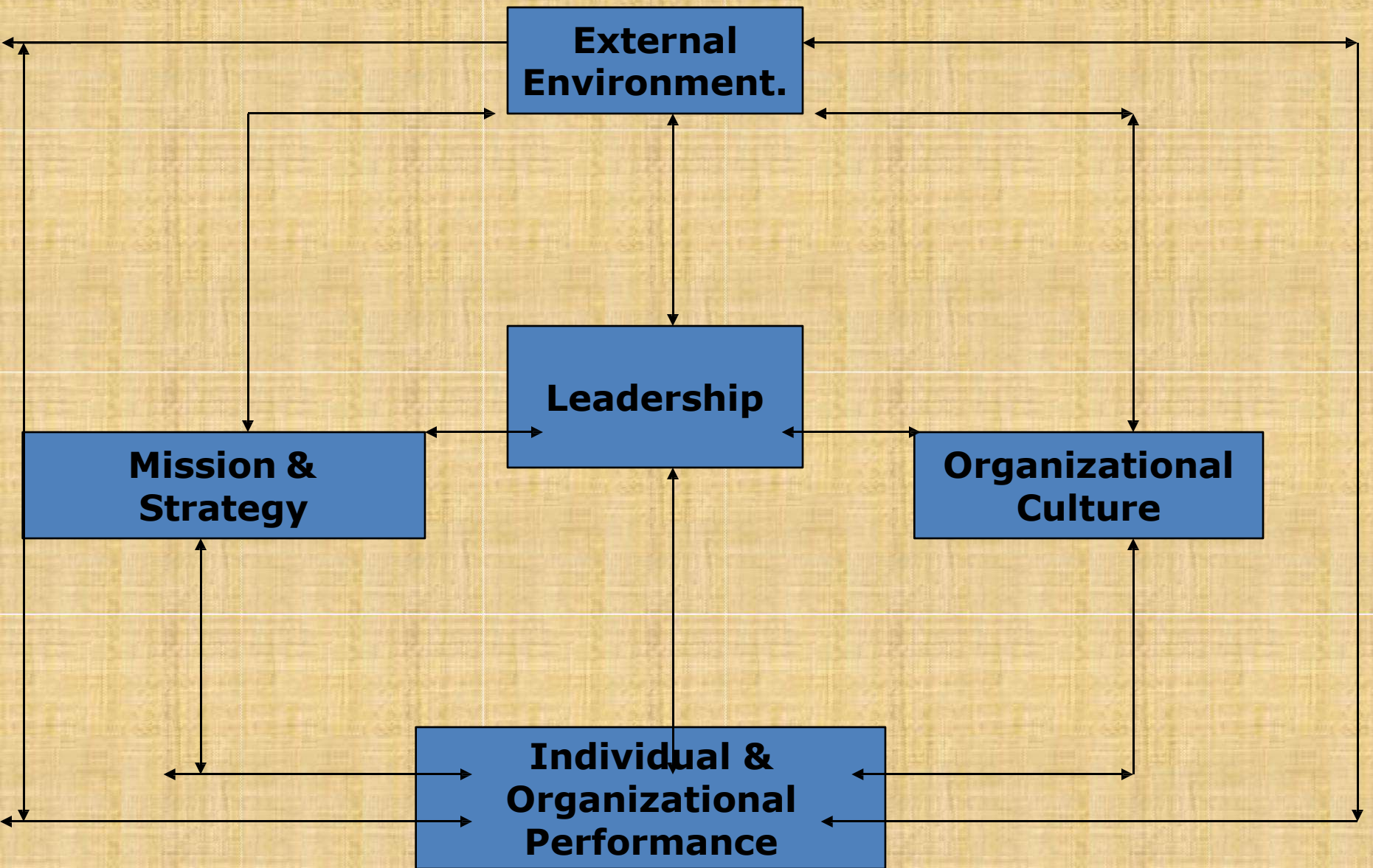
(Transformational)

Distinguishing Organizational **Climate** and Organizational **Culture**.

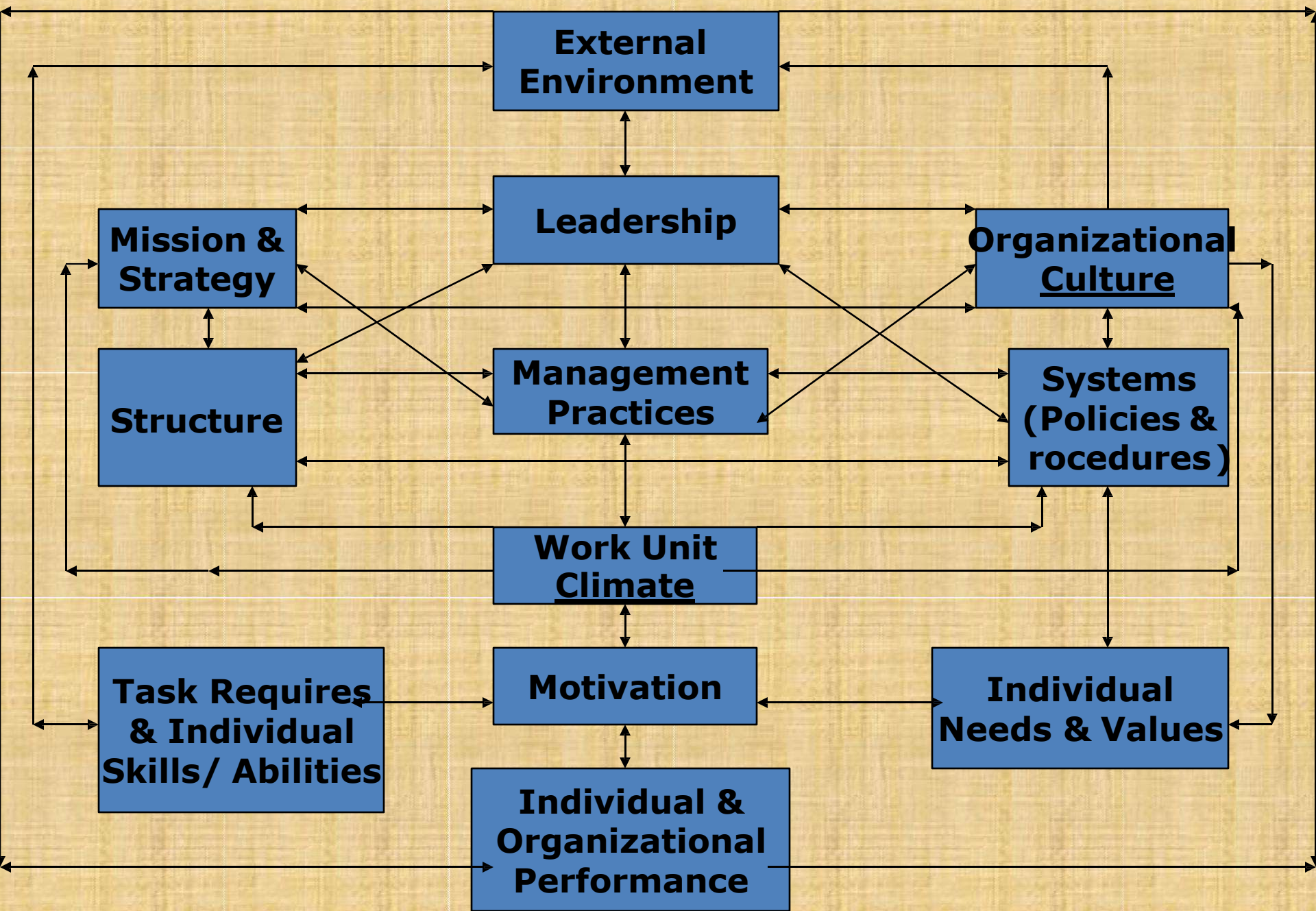
Climate- people's perceptions and attitudes about the organization

Culture- deep seated assumptions about values and beliefs that are enduring, often unconscious and difficult to change

ORGANIZATION DEVELOPMENT(Second)



The Burke-Litwin Model of Organizational Performance and Change



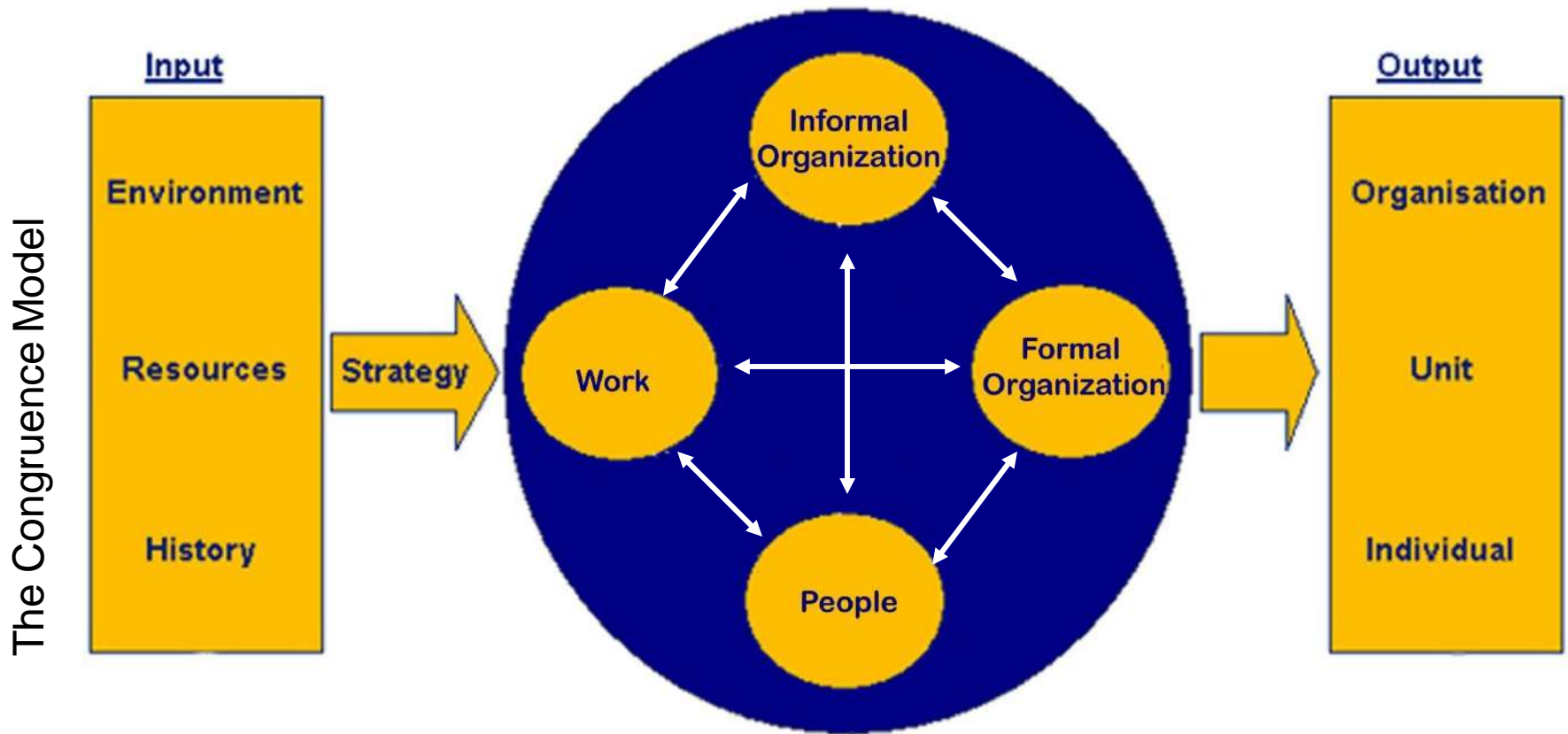
SYSTEMS MODEL OF CHANGE

Systems Approach

- ↳ Based on the premise that any change, no matter how large or small, has a cascading effect throughout an organization
- ↳ Takes a “big picture” perspective of organizational change

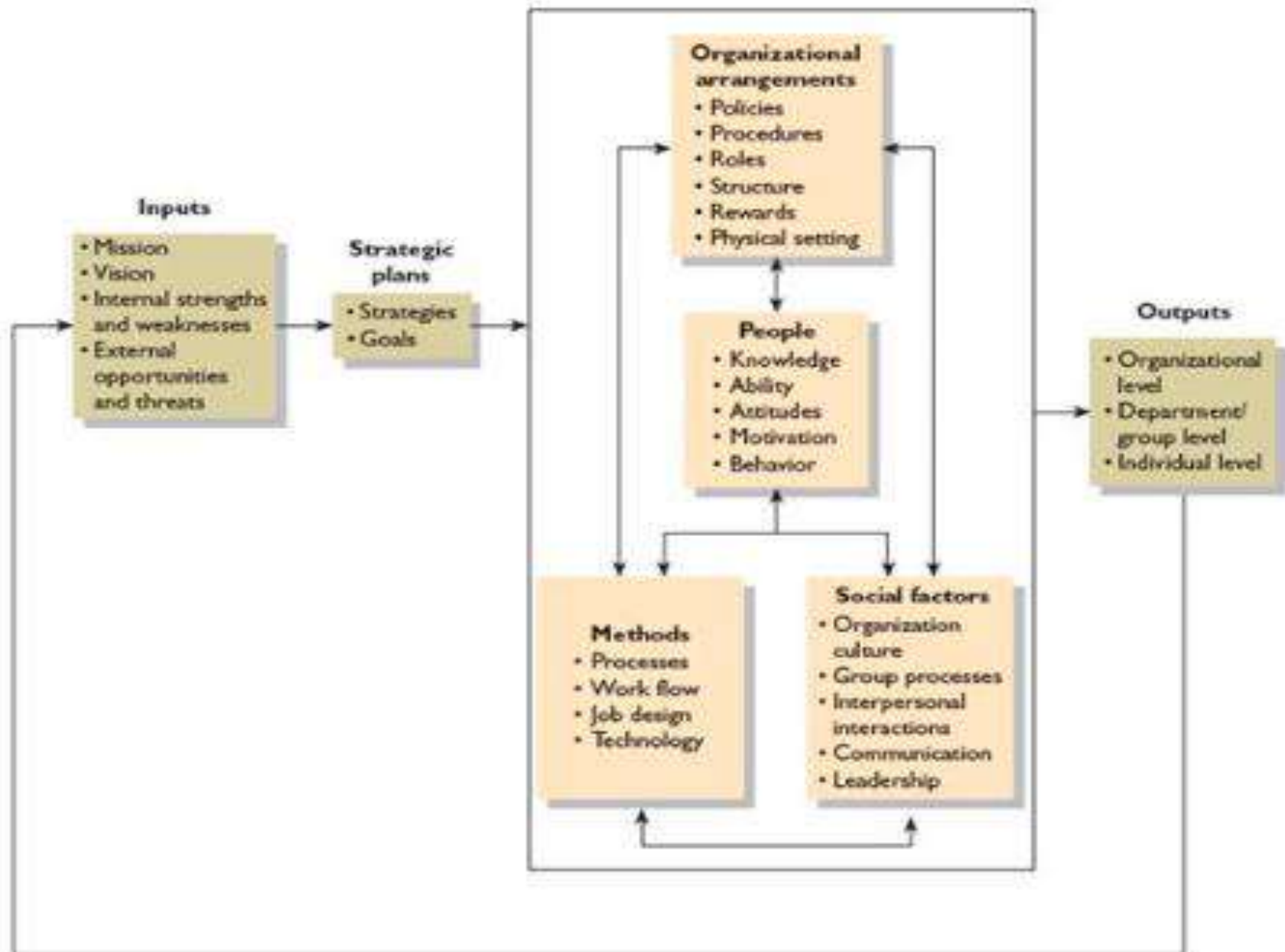
Systems Theory

Organizations are open systems in active exchange with their environment



A Systems Model of Change **FIGURE 16-1**

Target elements of change



Participation & Empowerment

- Participation in OD programs is not restricted to elites or top people; it is extended broadly throughout the organization.

- Increased participation and empowerment have always been central goals and fundamental values of OD.

- Participation enhances empowerment and empowerment in turn enhances performance.

- Empowerment is the key to getting people to want to [participate in change](#).

Teams & Teamwork

■ Many tasks are so complex that they cannot be performed by individuals; people must work together to accomplish them.

■ Putting those empowered individuals into teams creates extraordinary effects on performance.

■ Teams create synergy i.e. sum of efforts of team is far greater than sum of individual efforts.

■ A number of OD interventions are specifically designed to improve team performance. Examples – team building, quality circles etc.

Characteristics of successful teams

3.clear, elevating goal

5.result driven structure

7.competent members

9.unified commitment

11.collaborative climate

13.standards of excellence

15.external support and recognition

17.principled leadership

.....Larson & LaFasto

Parallel Learning Structures

A parallel learning structure consists of a steering committee and a number of working groups* that study what changes are needed, make recommendations of improvements, and monitor the change efforts.

(* Idea groups, action groups, implementation groups etc.)

One or more top executive should be part of steering committee

Representatives from all parts of the organization

In large bureaucratic organizations :

1. High forces of inertia
2. Hierarchical communication pattern
3. Standard ways of addressing problems

Inhibit :

} learning
} Innovation
} Change

Here parallel learning structures are best way to initiate change

Normative-Reeducative Strategy of Change

- **Norms** are a fundamental concept in the social sciences. They are most commonly defined as rules or expectations that are socially enforced. **Norms** may be prescriptive (encouraging positive behavior; for **example**, “be honest”) or proscriptive (discouraging negative behavior; for **example**, “do not cheat”).

Normative-Reeducative Strategy of Change

- Norms form the basis for behavior, and change comes through reeducation in which old norms are discarded and replaced by new ones.
- Changes in normative orientations involve changes in:
 - Attitudes
 - Values
 - Skills
 - Relationships
- Norms can be best changed by focusing on the group, not the individual.

Corporate Culture – The Cultural Iceberg Model

Visible elements
of corporate
culture include:

Vision
Mission
Policies Strategy
External presentation

Invisible
elements of
corporate
culture include:

Unwritten
rules

Relationships

Status

Values and
norms

Attitudes and feelings

People's
fundamental needs
(e.g. for safety)

Applied Behavioral Science

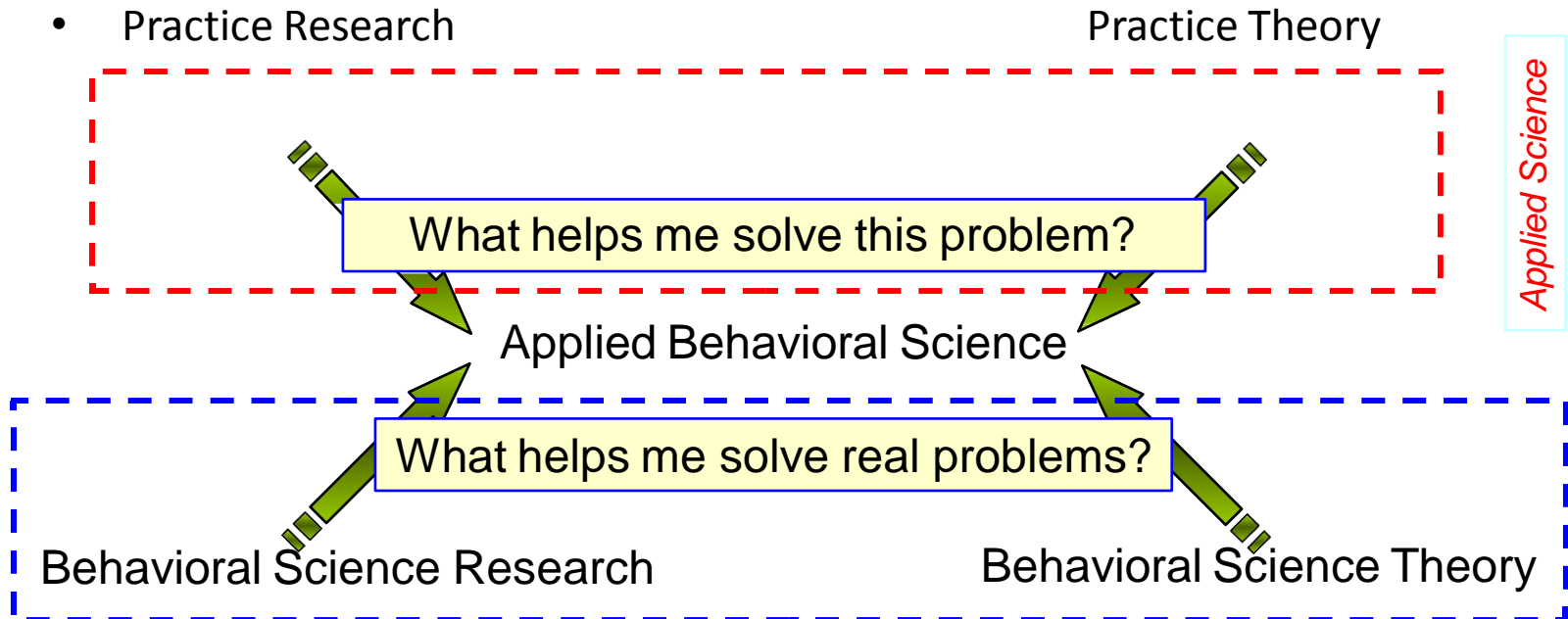
- OD is an application of behavioral science

Pure/ Basic Science
Generating knowledge



Applied Science
Knowledge to Solve practical problems

- Practice Theory : Diagnosing the situation, then selecting and implementing treatments based on diagnosis, and finally evaluating the effects of the treatments.



Action Research

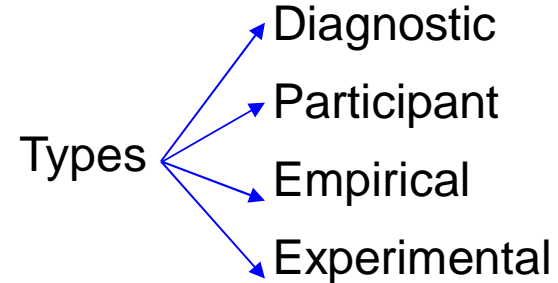
Data Collection

Feedback of data to client system members

Action planning based on the data

Taking action

Evaluating results of actions



Diagnostic	<i>Researcher enters a problem situation, diagnoses it and make recommendations for remedial treatment (recommendations may not be put into effect by client group)</i>
<u>Participant</u>	<i>People who are to take action are involved in the entire process from the beginning (involvement increases the likelihood of carrying out the actions once decided upon)</i>
Empirical	<i>Researcher keeps the systematic, extensive record of what he/ she did and what effects it had (may encounter situations too divergent from one another, which may not permit generalizations)</i>
<u>Experimental</u>	<i>It is controlled research on the relative effectiveness of various techniques (is difficult to do when client wants immediate answers)</i>