

UNIT V

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Stress and Stress Management

What is Stress?

Stress is defined differently by different researchers/authors.

Steven L. Mcshane: Stress is an individual's adaptive response to a situation that is perceived as challenging or threatening to the person's well-being.

Stephen P. Robbins: Stress is a dynamic condition in which an individual is confronted with an opportunity, a demand, or a resource related to what the individual desires and for which the outcome is perceived to be both uncertain and important.

Ivancevich and Matteson: Stress is an adaptive response, mediated by individual differences and / or psychological processes, that is a consequence of any external action, situation or even that places excessive psychological and / or physical demands on a person.

The above definition has three critical components:

- Stress is a reaction to a situation or event, not the situation or event itself.
- Stress can be impacted by individual differences.
- Stress is produced only because of special or unusual situations.

Beehr and Newman: Job stress is a condition arising from the interaction of people and their jobs and characterized by changes within people that force them to deviate from their normal functioning.

In a nutshell, stress can be defined as an adaptive response to an external situation that results in physical/psychological and/or behavioural deviations for organizational participants.

Distress: Stress is usually thought of in negative terms. It is thought to be caused by something bad such as a loved one being seriously ill, failure in exam / job interview or poor performance appraisal report. This is known as *distress*.

Eustress: There is also a positive, pleasant side of stress caused by good things such as getting a university rank, job promotion or even getting married. This is *eustress*.

Stressors: These are the factors responsible for causing stress.

Techno-stressors: Loss of privacy, information inundation, erosion of face-to-face contact, continually having to learn new skills, being passed over for promotion because of lack of knowledge are some of techno-stressors..

Hindrance stressors: These are organizational politics, red tape, role ambiguity and hurdles to personal growth and goal attainment. These have negative effect on motivation and performance.

Challenge stressors: These are high workload, time pressure, high responsibility and disaster management. These have positive effect on motivation and performance.

Stress is associated with *demands* and *resources*. Demands are responsibilities, pressures, obligations and uncertainties faced. Resources are things within an individual's control that can be used to meet the demands. Adequate resources help reduce the stressful nature of demands when demands and resources match.

Potential Sources or Causes of Stress.

Stressors, the causes of stress, include any environmental conditions that place a physical or emotional demand on a person. There are many stressors.

Extra-organizational stressors: Job stress is not limited just to things that happen inside the organization during working hours. There are many extra-organizational stressors which are related to job stress. They are social and technological change, globalization, economic uncertainty, political uncertainty, family problems, relocation of family due to transfer and age related factors.

Organizational stressors: Though the organization is made up of groups of individuals, there are many macro level dimensions that cause stress.

Administrative policies and strategies: Stressors are downsizing, competitive pressures, merit pay plans, rotating work shifts, bureaucratic rules and advanced technology.

Organizational structure and design: Stressors are centralization and formalization, line-staff conflict, specialization, role ambiguity and role conflict, no opportunity for promotion, restrictive and untrusting culture.

Organizational process: Stressors are tight controls, only downward communication, little performance feedback, centralized decision making, lack of participation in decisions and punitive appraisal systems.

Working conditions: Stressors are crowded work area, noise, heat and cold, polluted and strong odour, unsafe and dangerous conditions, poor lighting, physical or mental strain, toxic chemicals or radiation.

Workplace violence and sexual harassment: Stressors are physical attack / abuse, verbal abuse, vulgar comments / gestures.

Group Stressors: Group has tremendous influence on individual behaviour. The group can be a potential source of stress.

Lack of group cohesiveness: Cohesiveness or “togetherness” is very important to employees, particularly at the lower levels. Denial of opportunity for cohesiveness due to job design, supervisors’ partiality and other members’ refusal is very stress producing.

Lack of social support: Employees are greatly affected by the support of one or more members of a cohesive group. They feel better off by sharing their problems and joys with others. If this type of social support is lacking, the situation becomes stressful. Further, group-level dynamics such as organizational politics, conflicts with co-workers / supervisions or social dislikes / ill wills can lead to depressive symptoms over a period of time.

Individual stressors.

Types A personalities: Type A employees work for long hard hours under constant deadline pressure. They take work home and are unable to relax. They constantly compete with themselves setting high standards. They tend to become frustrated by work situation and get irritated with work efforts of others. They finally experience considerable stress.

Personal control: People's feelings about their ability to control a situation are important in determining their stress level. If employees feel that they have little control over the work environment and over their jobs, they will experience stress. In many cases, it may not be job control as such, but the employees' perception of fairness that has the resulting impact on stress.

Learned helplessness: Some employees just seem to have given up and appear to accept stressors in their work environment, even when a change for the better is possible. Some people are more apt to experience helplessness when they perceive the causes of lack of control are (i) related to their own personal characteristics (ii) stable and enduring, rather than just temporary and (iii) global and universal cutting across many situations.

Psychological hardliners: Some people "break down" at the slightest provocation, whereas others remain "solid" in the face of extremely stressful situations. Those who cope successfully with extreme stressors seem to have a "hardiness" disposition. Once an individual becomes "tough", he is likely to experience a greater variety of situations as challenging rather than threatening or stressful.

Consequences of Distress

Stress shows itself in a number of ways. The symptoms are grouped into three categories.

Physiological symptoms

- Heart disease and high blood pressure
- Ulcers and headaches
- Sleep disturbances
- Increased illness

Psychological symptoms

- Job dissatisfaction and low commitment
- Anxiety and depression
- Moodiness

- Burnout: It is the process of emotional exhaustion, cynicism [depersonalization, *i.e.* getting detached from others] and reduced efficacy resulting from prolonged exposure to stress.

Behavioural symptoms

- More accidents
- Faulty decisions
- Higher absenteeism / turnover
- Workplace aggression
- Lower job performance

Low to moderate stress stimulates the body and increases its ability. But too much stress results in lower performance.

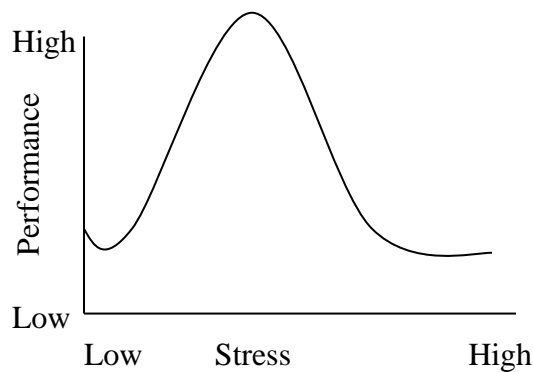


Fig: Stress vs Performance

Stress Management Strategies

There are well tried-out strategies to overcome stress.

Removing the stressor

The best way of effectively managing stress is by removing the stressors that cause unnecessary strain and burnout. Other strategies may make the employee “stress – fit” but will not solve the basic problem. It begins by identifying the areas of high stress and determining its causes.

- Monitoring stress *i.e.* changing the corporate culture to support a work–life balance rather than dysfunctional workholism.
- Giving employees more control over their work and work environment
- Selecting and assigning employees to positions that match their competencies.
- Minimizing noise and safety risk.
- Reducing workplace harassment through clear guidelines and feedback system.
- Removing role ambiguity.
- Breaking large tasks into smaller ones for easy accomplishment
- Developing interpersonal skills.

Work – life balance initiatives

Flexible work time: Nowadays many firms, particularly in IT and IT–enabled industries, are flexible on the hours, days and amounts of time employees work.

Job sharing: Job sharing splits a career position among people so that the employees experience less time – based stress.

Telecommuting: This reduces the time and stress of commuting to work. This helps to attend to family obligations.

Personal leave: Extended maternity, paternity and personal leave to care for a new family or to take advantage of personal experience.

Child care support: On-site or subsidized child care facilities reduce stress as employees need not rush to drop off or pick up children. They need not worry about the well-being of their children during working hours.

Withdrawing from the stressor

Though removing the stressor is the ideal solution, it may not be feasible always. An alternative strategy is to permanently or temporarily removing the employees from the stressor. Permanent withdrawal is carried out by transferring people to jobs that fit their competencies and values. Temporarily withdrawing from stressors is the most frequent

way. Personal leave, vacations and sabbatical assignments are temporary withdrawals for a longer period.

Changing stress perceptions

Employees often experience different levels of stress in the same situation as they have different levels of self-confidence and optimism. Confidence and self-esteem are to be strengthened so that job challenges are not perceived as threatening. Self-leadership practices and positive self-talk can boost self-confidence.

Controlling consequences of stress

Coping with workplace stress also involves controlling its consequences. Fitness centers help employees to keep fit. Physical exercise reduces physiological consequences of stress by helping employees moderate their breathing and heart rates, muscle tension and stomach acidity. Physiological consequences of stress can also be reduced through relaxation and meditation. Wellness programmers educate and support employees in better nutrition and fitness, regular sleep and other good health habits.

Employee assistance programmes

These are counseling services that help employee overcome personal or organization's stressors. They improve the coping mechanism of stress. Some companies offer post trauma stress counseling. Counseling for family problems is common. Counseling helps employees to understand the stressors and acquire stress management skills.

Receiving social support [Networking]

Social support refers to a person's interpersonal transactions with others. It involves providing emotional or informational support to reduce stress. Social support from co-workers, supervisors, family members, friends and others is an important stress management practice. This benefit occurs only when the stressed individual asks for support and not when the support is imposed by others. Social support reduces stress in three ways:

- Employees improve their perceptions that they are valued and worthy.
- Social support provides information to help employees interpret, comprehend and remove stressors.
- Emotional support from others can directly help to reduce the stress experience.

Organizations can facilitate social support by providing opportunities for social interaction among employees as well as their families. Mentoring relationships with more senior employees may help junior employees cope with organizational stressors.

In addition to the above, stress could be reduced through **counseling** and **mentoring**.

Counseling

Counseling is a discussion between an employee [Counselee], who is having an emotion-oriented mental problem, with an expert or senior employee [Counselor], who helps the employee to cope with the stress.

- Counseling helps improve employees' mental health and well-being such as feeling comfortable about themselves, having good opinion about others, and possessing ability to meet the demands of life.
- It is an exchange of ideas, opinions and feelings between two people and hence it is an act of communication.
- Counseling makes employees more cooperate and employees try to forget their personal problems. This may improve organizational performance.
- Counseling may be performed by both professionals and nonprofessionals. A HR manager, a supervisor and even a friend may provide counseling. Therapists and personal physicians offer counseling in complicated cases.
- As counseling is confidential, employees feel free to discuss openly about their problems, both personal and job-oriented. Employees who experience stress in the new job and those who suffer mental agony due to the death of dear ones may also attend counseling.

Need for counseling

- People seek counseling for a variety of problems, including stress. Old employees who feel insecure about retirement, those who are hesitant to take up additional responsibilities on promotion and new employees who find it difficult to settle in their jobs need counseling.
- Though emotions, given by nature, make people human, there are chances that, emotions can get out of control and cause workers to indulge in certain activities which are harmful to themselves as well as to the organization. When employees get emotionally upset due to trifling conflicts, they may even leave the organization. Managements want their employees mentally stable to engage in constructive work.

Functions of counseling

The general objectives of counseling are to help employees:

- develop more self confidence
- understand the situations and act accordingly
- improve self-control and
- enhance ability for effective execution of work.

The objectives are achieved through one or more of the following functions:

Advice: It is telling or coaching a person what to do and what not to do. Giving advice is not an easy task. Before offering advice the counselor must understand the problems faced by the counselee thoroughly and should have a plan of action. Sometimes the counselee, who gets advice, may feel inferior and dependent on the counselor. Nevertheless, advice occurs in routine counseling because counselees expect the same.

Reassurance: Reassurance is a method of giving the affected employees some courage to face the problem and making them confident to pursue a suitable course of action. It is more of encouragement. However, the problem is that the counselees do not accept reassurance as easily as they may feel that the counselor has not understood the problem in depth. Initially reassurance may give some sort of temporary self-confidence but it may fade away when the problem recurs. Sometimes the false sense of confidence may lead the counselee to make poor decisions.

Communication: It is providing information and understanding the problem for effective solution. Counseling helps both downward and upward communication.

Release of emotional tension: It is an important function of counseling. The emotional release of tension is sometimes called emotional catharsis.

- People tend to feel free whenever they get an opportunity to tell someone about their problems.
- The tension begins to subside when the problem being faced by the stressed person is narrated to a sympathetic listener. They feel relaxed.
- Though release of tension does not necessarily solve a problem it enables the affected person think coherently and take constructive decision.
- Sometimes the problem may disappear along with the release of tension.

Clarified thinking: It is to encourage a counselee for coherent, rational and mature thought. Though clarified thinking tends to be a normal result of emotional stress, a skilled and experience counselor can accelerate its process. Here, the counselor only clarifies a thought and does not tell whether it is right or wrong. Clarified thinking occurs during the course of counseling relationship. The end result of clarified thinking is making the counselee accept responsibility for emotional problems and to be more realistic in solving them.

Reorientation: It is more than emotional release and clarified thinking. This involves encouraging an internal change in goals, values and and mental models. It helps people recognize and accept their own limitation. Reorientation is quite useful in helping alcoholics return to normalcy or to treat a person with the potential for violence. Reorientation is normally done by trained professional counselors who know its uses and limitations.

Types of counseling

Depending on the amount of direction given by a counselor, counseling is classified into three types. At one end there is full direction known as *directive*

counseling. The other end, where there is no direction, is *nondirective counseling*. Between the two extremes is *participative counseling*.

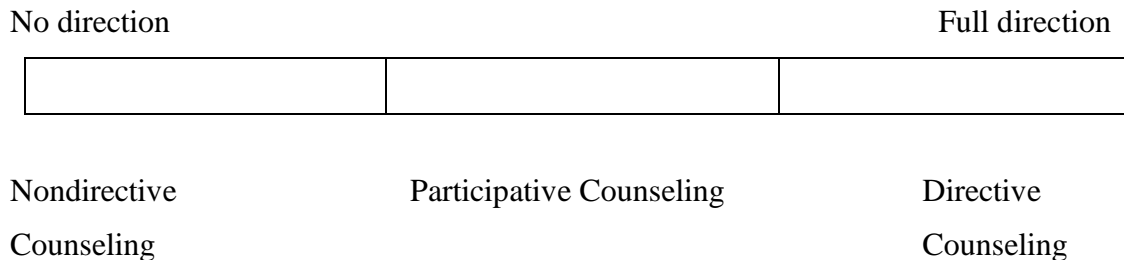


Fig: Types of counseling

Directive Counseling

- Directive counseling involves listening to the counselee’s problems, deciding the course of action by the counselor in consultation with the counselee and telling and motivating the counselee to do it.
- Though advice is the major function, it includes reassurance, communication and emotional release and to some extent clarifying thinking process. Generally, there is no reorientation in directive counseling.
- As advice alone is not liked by counsees, the directive counselor must be a good listener to help counselee release his / her emotions.
- A good communication gives reassurance to counselee.
- A combination of advice and reassurance gives more courage to take a helpful action that may support the counselee.

Nondirective counseling

It is the process of skillfully listening to the counselee and encouraging him / her to explain the problems, understanding them and determining appropriate

action. As this focuses on the counselee rather than on the counselor to judge and take advice it is also called *client-centered counseling*.

- Throughout counseling, the counselor just accepts the feelings of the counselee, rather than judge them because judgment and evaluation may discourage the counselee to state the true feelings.
 - The basic idea of nondirective counseling is to make counselee feel free to explain and decide for wise decisions.
 - While counselor is the key person in directive counseling, counselee is the key person in non-directive counseling.
 - In nondirective counseling, professionals accomplish most of the functions such as communication, emotional release, clarified thinking and reorientation.
 - Unlike directive counseling, nondirective counseling emphasizes changing the person instead of dealing only with the immediate problem.
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- Nondirective counselors follow an *iceberg model* of counseling, in which they understand that more feelings are concealed and they encourage the counsees to open up deeper feelings for better understanding.

Limitations of nondirective counseling

- It is time-consuming as just one employee with one problem may require many hours of counselor's time.
- It is costly because it requires professional counselors with professional education who charge heavily.
- Nondirective counseling depends on capable and willing employee who possesses a drive for well-being, adequate social intelligence to perceive what problems need solution and sufficient emotional stability to deal with them. But many a time the counsees lack many of these qualities.

Participative counseling

Since nondirective counseling requires professional counselors and is expensive and directive counseling is generally not accepted, nowadays, originations

go in for *participative counseling*, which is a middle course between the two extremes. Participative Counseling (or cooperative counseling) is a mutually accepted relationship between the counselor and counselee for cooperative exchange of ideas / suggestions to solve counselee's problems.

- It is neither counselor-centered nor counselee-centered. Here, both the counselor and counselee share their knowledge, perspectives, beliefs, values and assumptions for an appropriate solution.
- As participative counseling combines the ideas of both the counselor and counselee balanced compromise is achieved which generally includes the advantages of directive and nondirective counseling and excludes their disadvantages.
- To start with, participative counseling uses the listening techniques of nondirective counseling and gradually the participative counselor plays active role.
- The problem is discussed in a broader angle to enable the counselee take a different view of the problem.
- Normally, participative counseling involves communication, emotional release reassurance and clarified thinking.

Change and Change Management

What is Change?

Change is making things different. It is an alternation in the existing field of forces which tends to affect equilibrium.

Planned change is a deliberate design and implementation of a structural innovation, a new policy goal or a change in operating philosophy, organizational climate or style. It is intentional and goal-oriented.

Reactive change is the result of external or internal forces/compulsions.

Proactive change occurs when it is felt that change is necessary.

Change agents: Persons who are responsible for managing activities.

Forces of change

There are six specific forces that act as stimulation for change:

Nature of workforce: Almost every organization has to adjust to multicultural environment caused by demographic changes, immigration and outsourcing. Depending on the nature of workforce (gender, age, culture, nationality etc) organization has to make changes in their policy and operation.

Technology: Improvement in technology makes many things obsolete. When new technologies arrive opportunities increase. To cope with newer opportunities organizations have to change.

Economic shocks: When economic bubbles such as new dot com companies, low interest stimulating home loans, *etc* emerge or when these bubbles burst there must be changes.

Competition: Global competition and mergers/acquisitions/consolidations as a result of liberalization/ globalization necessitate changes.

Social trends: Social changes such as meeting and sharing of information in internet chat rooms, workforce becoming younger, more of female workers, consumers going for on-line shopping etc have forced organizations to change their way of business.

World politics: World events such as breakup of Soviet Union, opening up of China and South East Asia, political instability in many nations, terrorism etc compel organizations to reorient themselves with appropriate changes.

In addition to the above macro factors the following micro factors also make the organizations to change:

- Rapid growth or even decline of business.
- Induction of new people.
- Decaying of effectiveness of organization.
- Change in the corporate strategy.
- Any major crises in the organization.
- Personal goals of the new leader or change of management style.
- The Domino effect *i.e.* one change touching off a sequence of related changes.

The need for change

If an organization is to survive, it must respond to changes in its environment. When new products/services are introduced by competitors, new laws are enacted by the government, suppliers of resources pull out or any environment factors threaten the very survival of the organization, it must adapt to the changes. Stimulation of innovation to beat competition, empowering of employees for better coordination and introduction of team spirit need changes. The dynamic and changing environments force organizations to change. Sometimes deep and rapid responses are called for. Today, among the managers worldwide, the rallying cry is “change or die”.

Why people resist change?

Studies showed that organizations and employees resist change. Even when data are shown to convince the people the needs for change people resist. People’s egos resist change in many occasions.

Many a time change is seen as threatening. However, resistance to change is positive in some ways. It provides a degree of stability and predictability to behaviour. It can also be a source of functional conflict. Resistance to change can be overt, implicit, immediate or deferred. The greater challenge is managing resistance that is implicit or deferred. Implicit resistance efforts are more subtle [not visible clearly] i.e. loss of loyalty, loss of motivation, increased errors/mistakes and increased absenteeism.

Sources of resistance to change:

Resistance to change emanate from various sources.

Individual level:

- Habit: As ‘habits die hard’ people normally prefer routine and resist any change.
- Security: People with a high need for job security may feel that change may result in losing jobs.
- Economic factors: People are afraid that change may result in fewer earnings.
- Fear of unknown: As people are not aware of what is in store for them in the changed environment, they tend to resist

- Selective information processing: People purposely try to avoid more information and wish to hear what they want to hear.
- Saving face: As some executives are adamant that what they do is right, they resist saving their face.

Organizational Level:

- Structural inertia: As established systems in an organization, such as selection processes, rules /regulations etc, are to be dismantled to accommodate changes, change is resisted.
- Limited focus of change: In an organization with a number of interdependent subsystems, one subsystem cannot be changed without affecting others. Hence, limited change does not yield desired result.
- Group inertia: Even if individuals are willing for change, group norms prevent them acting independently.
- Threat to expertise: Specialized groups may feel that their expertise may become irrelevant in the changed environment.
- Loss of power/authority: Top executives may fear that their power/authority gets eroded when changes are made in the new organization set-up
- Reduction in resource allocations: Groups may feel that the resources being enjoyed get reduced in the changed set-up consequent to changes.

Overcoming resistance to change:

Tactics generally employed to overcome resistance to change are indicated bellow.

Education and communication:

Honest and frequent communication helps in fighting the effects of misinformation and poor information. It helps clearing of doubts with supply of full facts. It also helps in 'selling' the need for change.

Participation:

Prior to bringing in change the people, who are likely to oppose, are made to involve in the decision-making process. Once people are involved in decision-making for change, they may not resist changing. Utilization of the expertise of the people in the change process may reduce resistance.

Stress Management:

Change is a stressful experience for many people as it threatens self – esteem and creates uncertainty about the future. Companies must introduce stress management to help employees cope with the changes. Stress management minimizes resistance by assuring autonomy, job security and career opportunities. As stress causes loss of energy, minimizing stress increases motivation to change.

Negotiation:

It is a form of influence where benefits are promised for compliance to change. It has potential to activate people who intend to walk away from accepting change. However, as there is no commitment, it may not be effective in the long run.

Support and commitment:

There should be offer for supportive efforts. When fear and anxiety are high counseling, new-skills, training, short paid-leave etc., may help. Stimulating people with attractive offers may bring in commitment for change.

Equity in implementing changes:

While some see change positively, many would tend to react negatively. Whatever may be outcome of change, there should be fair distribution. People must be made to believe that changes are implemented consistently and fairly.

Manipulation:

Twisting/distorting facts by making false statements to make changes appear more attractive, withholding undesirable information, spreading rumors

and threatening of lockout which is not true may influence people to accept change initially; these tactics will boomerang in the long run.

Cooptation:

It is both manipulation and participation. It is ‘buying’ off the leaders of resistance group by offering key roles in the change process. Organizations seek resistant group leaders’ advice, not for better decision but for endorsement. Sometimes cooptation may backfire.

Selection of amenable people:

Ability to easily accept and adapt is related to personality. Some have more positive attitude towards change than others. People who easily adjust to change are open to experience, likely to take a positive attitude towards change, willing to take risk and flexible in their behaviour. People with positive self-concept and high risk tolerance cope better with change. If the organization selects people who score high on positive attitudes towards change, there will be less resistance to change.

Coercion:

If all the above fail or the organization is unable to implement the changes, then the last resort is coercion *i.e.* application of direct threats or force on those who resist change. Coercion includes threats of transfer to hostile location, withholding of promotion, negative performance evaluations and even pay cuts. Sometimes the resisting members will be dismissed. Coercion may be a risky strategy as the employees may lose trust in the top management and follow political tactics for survival.

Kurt Lewin’s Force Field Analysis Model of Change Process

Lewin’s model of system-wide change helps change agents diagnose the forces which drive the change (driving force) and the forces which oppose or restrain the change [restraining force]. One side of the force field model represents the driving forces that push the organization towards a desired change. The other side represents the restraining forces which try to maintain the status quo without any changes.

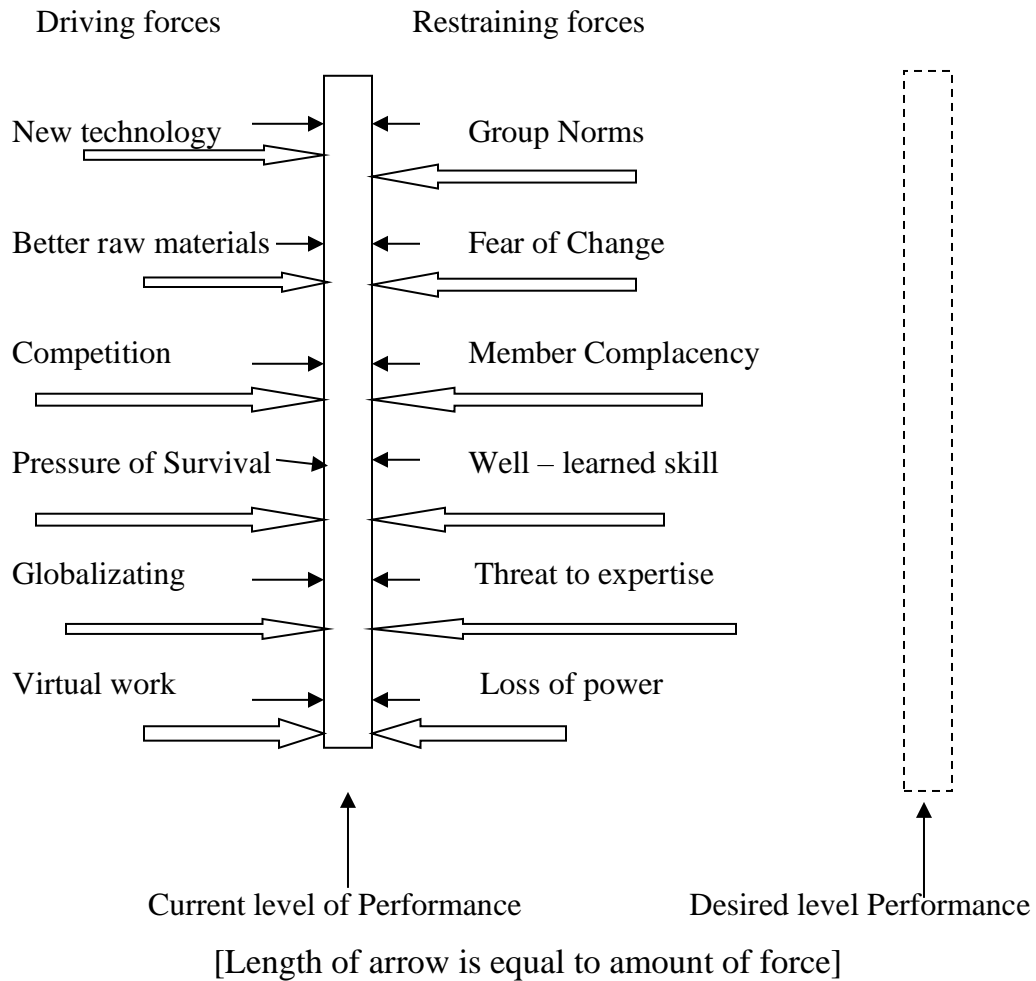


Fig: Lewin's Force Field Analysis Model

If the driving forces are greater than the restraining forces, then the desired changes may occur; otherwise the status quo will be maintained without any change.

Approaches to managing organizational change:

There are many approaches to manage organizational change.

Lewin's 3- step model of unfreezing, movement and refreezing:

- Kurt Lewin suggested that successful change should follow three steps viz *Unfreezing* the status quo, *movement* to a desired level and *refreezing* the new change to make it permanent.

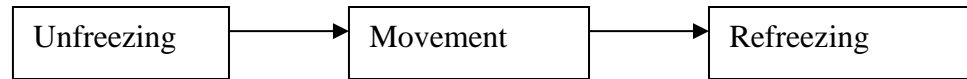


Fig: Lewin’s three–step change model

Unfreezing is to overcome the pressures of both individual resistance and group conformity. This is accomplished through increasing the driving forces such as communication, learning, employee involvement, stress management, negotiation or coercion and reducing the restraining forces.

Movement is a change process that transforms the organization from the status quo to a desired level; it involves introducing appropriate changes.

Refreezing is a stabilization process which balances the driving forces and restraining forces; it involves realigning organizational systems and team dynamics with the desired changes. This includes new information system, reward system to support the future state, feedback, organizational structures, physical layouts *etc.*,

Kotter’s eight – step plan to implement change

John Kotter of the Harvard Business School suggested eight steps to improve Lewin’s three–step model.

- Establishing a sense of urgency to change
- Forming a coalition with enough power.
- Creating an appropriate vision.
- Communicating the vision throughout the organization.
- Empowering by removing barriers and encouraging risk taking/creative problem solving.
- Planning and creating rewards for short term ‘wins’ that move the organization towards the desired change.

- Consolidating improvements, reassessing changes and making necessary adjustments.
- Reinforcing changes by demonstrating the relationship between new behaviour and organizational success.

Action Research: It is a change process based on systematic collection of data and selection of a change action based on the analyzed data. It is a scientific methodology for managing planned change. Action research involves five steps viz Diagnosis, Analysis, Feedback, Action and Evaluation.

1st step – Diagnosis: The change agent, often an outsider, gathers information about problems, concerns and needed changes from the members of the organization. The information/data are analyzed and objectives of change are decided after asking questions, interviewing employees, reviewing records and listening to concerns of employees.

2nd step – Analysis: Based on the type of problems and patterns of problems the change agent identifies the primary concern, problem area and possible actions.

3rd step – Feedback: As action research includes involvement of the employees in change management there is a need for sharing with employees what has been found from step 1 and 2. Based on the feedback action plans would be formulated.

4th step – Action: After deciding what is to be done the employees carry out the specific action to correct the problems, *i.e.* change is set in motion.

5th step - Evaluation: The final step, evaluations, involves comparing of the subsequent changes after the action and the initial data (bench mark).

Action research has two specific benefits (i) it is problem focused *i.e.* the change agent looks at the problem objectively and (ii) as this involves employees in the process, resistance to change is reduced.

Appreciative Inquiry Approach:

It is an organizational change process that focuses on the group's own problems. Problem-solving mentality is replaced by relationships around positive and possible activities. It searches for the organizations or group's strengths and

capabilities for further success and well-being. It concentrates more on positive organization behaviour rather than trying for a quick-fix solution to a problem. It emphasizes building on strengths instead of trying to correct weakness. The 'Four-D' model of appreciative inquiry has four stages:

1st Stage – Discovery: Identifying the positive element of the observed events or organizations. This includes documenting positive customer experiences elsewhere in the organization or interviewing members of other organizations to discover the fundamental strengths.

2nd stage – Dreaming: Envisioning what might be possible in an ideal organization.

3rd Stage – Designing: This stage involves discussion of each other's model for the organization.

4th Stage – Delivering: In the final stage, participants establish specific objectives and direction for the entire organization based on their model.

Parallel Learning Structure Approach

Parallel learning structures are highly participative groups composed of people from all the levels of the organization. These are all social structures decided alongside the formal hierarchy with the purpose of increasing the organization's learning. Ideally participants are sufficiently free from the constraints of the larger organizations so that they can solve the organizational issues effectively.

Organizational Development:

It is a planned change employing interventions based on humanistic and democratic values to improve organizational effectiveness and employee well-being.

The underlying values in OD efforts are respect for people, trust, authenticity, openness, supportive climate, power equalization, confrontation and participation.

Some of the OD interventions or techniques are *sensitivity training* [training groups that seek to change behaviour through uninstructed group interaction], *survey feedback* [identifying discrepancies in perceptions of members through questionnaires followed by discussion and suggestions], *process consultation* [consultant assisting client to understand relevant process events and identifying processes that need improvement], *team building* [building highly interactive team to increase trust and openness] and *intergroup development* [efforts to change the attitudes, stereotypes and perceptions that groups have of each other].

Creating a Learning Organization:

Learning organization is one which has developed the continuous capacity to adapt and change.

Single-loop learning: It is a process of correcting errors using past routines and present policies.

Double-loop learning: It is a process of correcting errors by modifying the organization's objectives, policies and standard routines.

Characteristics of a learning organization consists of agreeing on shared vision, discarding of old ways of thinking, considering all processes, activities, functions and environmental interactions as a part of system interrelationship, open communication without fear of criticism or punishment, setting aside personal self-interest and concentrating on departmental interests to achieve organization's shared vision.

Organizational learning is managed through establishing a strategy, redesigning the organization's structure and reshaping the organization's culture.

Organizational Culture, Climate, Commitment, Development and Effectiveness

Organizational Culture:

According to Edgar Schein, organizational culture is a pattern of basic assumptions that has worked well enough to be considered valuable, and therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems. The basic assumptions would have been invented, discovered or developed by a group as it learns to cope with its problems of external adaptation and integral integration.

Some of the manifestations (outcomes) of organizational culture are dress, norms, stories people tell about what goes on, organization's formal rules/procedures, its formal codes of behaviour, rituals, tasks, pay system, jargons and jokes [understood only by the insiders] and so on.

Organizational culture is the basic pattern of shared values and assumptions which governs the behaviour of employees in an organization. It is a shared meaning that distinguishes one organization from other.

Elements of organizational culture

The main elements of organizational culture are artifacts which are visible and the shared values and assumptions which are invisible.

Artifacts:

- Stories / Legends
- Rituals / Ceremonies
- Organizational Language
- Physical Structure / Décor

Shared values:

- Conscious Beliefs
- Evaluation of what is good or bad and right or wrong

Shared assumptions:

- Unconscious perceptions or beliefs taken for granted
- Mental models of ideals

Characteristics of Organizational Culture

There are many important characteristics which tell about the culture in an organization. Some of them are indicated below:

Observed behavioural regularities: These are the common language, terminology, “jargons” and rituals used among the employees.

Norms: These are the guidelines on how much work to do. The quantum of work to be done differs from culture to culture.

Dominant values: Every organization advocates and expects employees to share certain values such as high product / service quality, high efficiency and low absenteeism.

Philosophy: These are the policies which decide the organization’s beliefs and expectations about how employees and / or customers are to be treated.

Rules: Each organization has a set of guidelines to be followed strictly. Newcomers are expected to fall in line to be accepted as full–fledged members of the organization.

Organizational climate: It is the overall internal environment or ‘feeling’ experienced by the employees. This includes physical layout/infrastructure, interpersonal relationship, relationship with customers/outside, management’s attitude, help from supervisors etc.

Innovation and Risk–taking: Some organizations encourage their employees to take risk in executing certain tasks. Some do not want to take risk or to be innovative.

Attention to details: It is the extent to which employees are expected to show precision, analysis and attention to details.

Orientation towards outcome: Some companies do not bother for the means, that is, how things are done. They focus only on ‘what is the result? But there are companies which are more particular of “how things are carried out” rather than the end results/profit.

Orientation towards people: There are organizations which claim “employees are first”

Orientation towards teams: While some organizations encourage team building / team work, there are organizations favouring individualism.

Aggressiveness: It is the degree of aggression/competitiveness exhibited by employees in completing their tasks.

Stability: Some organizations prefer to maintain their *status quo* rather than changing abruptly in response to the environmental changes.

Types of culture

Culture is grouped into various categories based on certain factors:

Dominant vs Subculture: Most big organizations have a dominant culture and a number of subcultures. A dominant culture is one where the core values are shared by majority of the employees. Organizational culture generally refers to dominant culture.

Subcultures: Subcultures are cultures confined to small groups in large organizations. They express the common problems, situations or experiences faced by members in a department or a geographical area. A subculture includes the core values of the dominant culture plus additional values / beliefs held by the small groups.

Strong vs Weak Culture: A strong culture is one where the core values are intensely held and widely shared. It has a greater impact on employee behaviour. Higher the commitment of the members to the core values, the stronger the culture is. A strong culture expresses high agreement among members. This unanimity of purpose builds cohesiveness, loyalty and organizational commitment. In a weak culture the commitment of members to the core values is less. The employees are loosely held together.

'Academy' vs Base-Ball team' culture: In 'Academy' culture employees are subjected to carefully planned training / development programmes and career paths of jobs whereas in 'Base-ball team' culture the focus is on entrepreneurship and risk – taking. Here, only talented people are selected and adequately rewarded as per their performance. The employees are on their own.

'Club' vs 'Fortress' Culture: In a 'Club' culture, the emphasis is on loyalty and commitment with strict adherence to code of conduct. In a 'Fortress' culture the employees are pre-occupied with survival as the jobs are highly challenging and competitive.

Benefits of strong culture

Strong culture brings in many benefits as the values, beliefs and assumptions are strongly held.

- It defines the boundary, that is, culture creates distinction between one organization and other.
- It conveys a sense of identity of the people.
- It facilitates commitment to a greater cause than one's self-interest.
- It stabilizes social system as social glue.
- It serves as a sense of making and control mechanism.

Organizational Development (OD)

It is a long term effort led and supported by top management to improve an organization's visioning, empowerment, learning and problem solving processes. There is special emphasis on the culture of intact work teams and other team configurations. It utilizes the consultant-facilitator role and the theory and technology of applied behavioral sciences including action research.

Primary distinguishing characteristics of OD are

- Focus on culture and processes
- Collaboration between organizational leaders and members in managing culture and processes
- Teams of all kinds are particularly important for task accomplishments
- Primarily the importance is on the human and social side of the organization
- Participation and involvement in problem solving and decision making by all levels of organization
- Emphasis on systematic change; views organizations as complex social systems
- OD practitioners are facilitators, collaborators and co-learners with the client system
- Thrust on imparting of problem-solving skills and knowledge of continuous learning through self analytical methods to clients to enable them solve their problems on their own
- Reliance on action research model with extensive participation by client system; seeking betterment of both individuals and organization

OD is possible through OD interventions. Interventions refer to various activities which a consultant and client organization perform for improving organizational performance through enabling organizational members better manage their behavior, work group and organizational culture. The important interventions are sensitivity training, grid training, survey feedback and team building.

Organizational Effectiveness

Effectiveness is determined by factors such as production maximization, cost minimization, technological excellence etc.,

Organizational effectiveness is the concept of how effective an organization is in achieving the outcomes the organization intends to produce.

Organizational effectiveness enhances potential for job success, promotions and continuity, provides a structure for organizing one's work, increases understanding and challenges the way the organization operates.

Organizational effectiveness is achieved through three levels, namely, individual level, group level and organizational level.

The criteria for organizational effectiveness are direction, delegation, accountability, control, co-ordination, adaption, efficiency and social system.

Organizational effectiveness approaches

- *Goal attainment approach:* In this approach quantifiable targets are fixed and effectiveness is measured based on accomplishing the goals.

- *Systems approach:* This approach focuses on how the organization selects its environmental opportunity, products and services and how efficiently it converts inputs into outputs.

- *Strategic constituencies approach:* The strategic constituencies are owners, managers, employees, customers and the government. In this approach all the constituencies are taken into consideration and effectiveness is achieved by identifying the critical factors for success.

- *Competing values approach*: It is based on the fundamental fact that different stake holders [stock holders, financiers, workers, customers *etc*] evaluate the effectiveness in different scales. Organizational effectiveness must satisfy all the stake holders.

The Contents in this E-Material has been taken from the text and reference book as given in the syllabus