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ORGANISATION DEVELOPMENT

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M. Sc Psychology - II YEAR
ORGANISATIONAL DEVELOPMENT
Syllabus

Unit I

Introduction to organizational Development: Concepts, Nature and Scope of O.D.
Historical perspective of O.D. underlying assumptions & Values Theory and practice on
change and changing: The nature of planned change. The nature of client Systems: Group
Dynamics, Inter group, Dynamics and Organisation as System.

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Unit I

INTRODUCTION TO ORGANISATIONAL DEVELOPMENT

With the changing of technology, market and environment faster and faster, and organization has to change the members' attitude, knowledge and its framework in order to adapt the various challenges. Organization development is a process that promotes the changes. The process of these changes can be considered as organization development. Organization development is a main technology which can change the quality of working relationship among the workers.

Concept of Organisational Development

The organization is an approach which believes people at all levels in and organization. In many cases, staffs are under-utilized and are capable, if given the opportunity, of taking on more responsibility for the work they do and of contributing further to the achievement of objectives. (Barbara Senior, 2002)

Organization development (OD) is a top-management-supported, long-range effort to improve an organization's problem-solving and renewal processes, particularly through a more effective and collaborative diagnosis and management of organization culture-with the assistance of a consultant-facilitator and the use of the theory and technology of applied behavioral science, including action research (French & Bell, 1990).

Organization development is a process by which behavioral knowledge and practices are used to help organizations achieve greater effectiveness, including improved quality of life, increased productivity, and improved product and service quality. The focus is on improving the organizations's ability to assess and to solve its own problems. Moreover, OD is oriented to improving the total system-the organization and its parts in the context of the larger environment that impacts upon them. (Cumming and Worley, 1997)

The aim of OD is to update and maintain organization so that the company can keep development in such a competitive environment. It is a manner of reeducate in order to carry out the changing strategy with and effective planning. It is not only the changes of

knowledge and information, but also in changes of attitude, technology, human relationship and culture. Some of OD theories consider that it can lead the organizational members built a new behavior via organization development process and reeducate, consequently, the strategically goal can be carried out.

Organization development has a clear goal and planning. It has top management support. The activities in OD process are all for making and carrying out the goals and planning. An advantage of a clear and idiographic goal is that it will motive the productivity better. We cannot emphasize the importance of confirming a clear goal too much. It exerts potential of technology and human. According to above ideas, very important factor for OD must be confirming a long-range learning objective and operates the working skills.

Nature and Scope of O.D

OD is a lifelong built-in mechanism to improve immunity of organization's health to renew itself, often with the assistance of a "change agent" or "catalyst" and the use of enabling appropriate theories and techniques from applied behavioral sciences, anthropology, sociology, and phenomenology. More importantly, the terms "change agent" or "catalyst" are synonymous with the notion of a leader who is engaged in leadership-a transformative or effectiveness process-as opposed to management, a more incremental or efficiency-based change methodology.

Although behavioral science has provided the basic foundation for the study and practice of OD, new and emerging fields of study have made their presence felt. Experts in systems thinking and organizational learning, mind maps, body mind synchronicity, structure of intuition in decision making, and coaching (to name a few) have emerged as OD catalysts. These emergent perspectives see the organization as the holistic interplay of a number of systems that impact the process and outputs of the entire organization.

Historical Perspective of O.D

In a little over five decades, OD has evolved a complex and diverse body of knowledge and practice. Because this expertise derives mainly from helping organizations change and improve themselves, the history of OD can be understood in terms of the kinds of changes that organizations have implemented over this time period. These include changes aimed at: (1) social processes; (2) work designs; (3) human resources; and (4) organization

structures. Although these changes are interrelated, each represents a distinct background in the growth of OD.

Social processes

The earliest applications of OD involved helping organizations improve social processes including relationships among members, communication, group decision-making, and leadership. These process changes started in the early 1950s and were largely in response to emerging social problems that organizations experienced as they became larger and more bureaucratic. During the first half of the twentieth century, organizations grew increasingly large with numerous departments, levels of management, and rules and procedures. Management was largely responsible for commanding and controlling the enterprise typically in an authoritarian or paternalistic manner.

Over time, these organizational conditions generated a host of unintended social problems and members found it increasingly difficult to communicate both laterally and vertically, to resolve problems within and across groups, and to respond energetically to managerial directives. OD's response to these social problems started in the late 1940s with the work of Kurt Lewin and his colleagues in laboratory training. Bradford (1967) began with a training program for community leaders which included both cognitive learning about leadership as well as informal feedback about participant behavior. Unexpectedly, the feedback aspect of the training was found to be a rich source of leadership expertise. This led to the development of laboratory training, commonly called a T-group, where a small, unstructured group of participants learn from their own interactions about group dynamics, leadership, interpersonal relations, and personal growth.

Early OD applications were also guided by work on action research and survey feedback. Action research started in the 1940s with applied studies showing that research could be used in the service of organization improvement if it was closely tied to action. Action research is highly collaborative, involving both OD practitioners and organization members; it is cyclical with initial research guiding action, and further research directing additional action, and so on. Action research has become a key process in applying OD to organizations. Survey feedback also started in the 1940s and has become a major component of most company-wide OD interventions. It involves systematically collecting survey data

about the organization and feeding them back to members so they can discover sources of problems and devise relevant solutions.

On survey feedback a variety of instruments resulted for assessing the attitudes of members towards organizations. It showed how feeding back that information to members can motivate and guide them to create meaningful change. This initial work in survey feedback also directed attention to how organizations were managed. It provided evidence that participative systems of management were more effective than traditional authoritative or benevolent systems and encouraged the growth of participative management in organizations, which even today is evolving into popular interventions for enhancing employee involvement or empowerment at the workplace

WORK DESIGNS

This branch of OD history involves designing work to make it more motivating and fulfilling. Traditionally, work was designed to promote technical rationality, resulting in jobs that were highly specified, fragmented, and repetitive. In the 1960s, the benefits of such work designs came more and more under question. Employees complained that work was boring and meaningless; they felt alienated from their jobs and the organizations that employed them. Organizations experienced growing problems with absenteeism, turnover, quality, and productivity. These problems spawned widespread calls for government, labor, and business to work jointly to improve the quality of the work life of the employees. OD sought remedies for these problems in new work designs that were more geared to employee needs and aspirations than to traditional designs.

These interventions were based on the work of Eric Trist and his colleagues in sociotechnical approach, which originated in Europe and Scandinavia in the 1950s, structured work to better integrate technology and people. It resulted in work designs that enhance both productivity and employee satisfaction. Socio-technical systems also showed that when tasks are highly interdependent and require significant decision-making, teams comprised of multi-skilled members who can make relevant decisions are the most effective work design. Today, such self-managed work teams are the cornerstone of work design in many organizations. Like socio-technical systems, job enrichment aimed to make work more productive and humanly rewarding.

It approached work redesign from a motivational perspective, showing how traditional jobs could be enriched to make them more motivating and satisfying. This required expanding jobs both horizontally and vertically by providing a greater variety of tasks to perform and greater amounts of discretion and decision-making. It also involved giving more direct feedback of results to job holders. Early success with job enrichment at such prominent companies as AT&T led to rapid diffusion of this OD intervention to work redesign in business, government, and the military (Ford, 1969).

Human resources

This background of OD involves integrating people into organizations so they join, remain, and produce at high levels. Concern for human resources has traditionally been associated with the personnel function in organizations. OD's interest in human resource practices grew rapidly; many organizations faced serious global competition for the first time. They needed to produce at higher levels at lower costs. This placed heavy demands on human resources to achieve exceptional performance; however, organizations increasingly questioned whether their traditional human resource practices were up to the task.

Answers to this question showed that many practices were not performance driven, particularly the way organizations rewarded employees. Because people generally do those things for which they are rewarded, rewards can play a powerful role in promoting performance. Unfortunately, many of the reward systems in use at the time were not linked closely to performance; employees were typically paid for a particular job level, time at work, or seniority.

Based on the work of Lawler (1981), OD examine how rewards affect organization performance, this led to interventions aimed at making rewards more contingent on performance. One method that has grown in popularity over the past two decades is called, gain sharing. It involves paying organization members a bonus based on measurable gains in performance over some baseline standard. Gain sharing typically covers all members of a particular business unit and includes only performance measures that members can control. To achieve gains in performance, members are given the freedom to innovate and to discover more effective ways of working.

They are encouraged to work together because their personal rewards are based on the performance of the total business unit. Another reward system intervention that has achieved widespread application is skill-based pay. Traditionally, organizations pay members for the jobs they perform. Skill-based pay rewards members for the number of different jobs they can perform. This encourages members to learn new skills and to broaden their expertise. It creates a highly skilled, flexible workforce that is essential to high performance in today's rapidly changing environments.

Organization structures

The most recent applications of OD involve structuring organizations so they are better aligned with their strategy and environment. Such large-scale change has become more prevalent in the past two decades as organizations have increasingly faced complex, rapidly changing environments that often demand radical changes in how they compete and design themselves (Mohrman et al., 1989). To help organizations make these transformations, OD has expanded its focus to the total organization and its competitive environment. Drawing on a variety of perspectives in corporate strategy (Miles & Snow, 1978; Porter, 1980; Hamel & Prahalad, 1994; Grant, 1998), OD has created interventions. For assessing an organization's competitive situation and making relevant changes in strategy if necessary. This typically includes a so-called SWOT analysis where the organization's strengths and weakness are compared to opportunities and threats in its competitive environment. Then, a strategy is created to build on the strengths and to take advantage of the opportunities, while accounting for the weaknesses and threats.

OD has also generated applications for designing the various features of an organization so they promote and reinforce strategy. Based on a growing literature in organization design (Galbraith, 1977; Nadler et al., 1992; Galbraith & Lawler, 1993), OD has created new structures that fit better to today's situations than traditional bureaucratic designs. These include: high-involvement organizations that push decision-making, information and knowledge, and rewards downward to the lowest levels of the organization (Lawler, 1986); boundary less organization that seek to eliminate unnecessary borders between hierarchical levels, functional departments, and suppliers and customers (Ashkenas et al., 1995); and virtual organizations that focus on the organization's core competence

while outsourcing most other functions to other organizations who do them better (Davidow & Malone, 1992).

All these structures are extremely lean and flexible; they enable organizations to respond rapidly to change conditions. Consistent with these new structures, OD has applied recent work on organization learning and knowledge management to organization change (Senge, 1990; Argyris & Schon, 1996; Davenport & Prusak, 1998). These interventions help organizations gain the capacity to continually learn from their actions and to make effective use of such knowledge. Teece, (1998) studied that learning capability is essential if organizations are to continually change and renew themselves. It can provide strong competitive advantage in complex, changing environments.

VALUES, ASSUMPTIONS AND BELIEFS IN O.D

A set of values, assumptions, and beliefs constitutes an integral part of OD, shaping the goals and methods of the field and distinguishing OOD from other improvement strategies. Most of these beliefs were formulated early in the development of the field, and they continue to evolve as the field itself evolves **Beliefs:**

A belief is a proposition about how the world works that the individual accepts as true: it is a cognitive fact for the person. Beliefs such as: trust and respect for individuals, the legitimacy of feelings, open communication, decentralized decision making, participation and contribution by all organizational members, collaboration and cooperation, appropriate use of power, authentic interpersonal relations were seldom espoused and rarely implemented in many organizations.

Values:

Values are also beliefs, and are defined as “Beliefs about what a desirable is or a good (e.g., free speech) and what an undesirable is or bad (e.g., dishonesty) values” OD values and assumptions developed from research and theory by behavioral scientists, and from the experiences and observations of practicing managers. OD values tend to be humanistic, optimistic, and democratic.

Humanistic Value

They proclaim the importance of the individual, Respect the whole person, treat people with respect and dignity. It assumes that everyone has intrinsic worth. It views all

people as having the potential for growth and development. The humanistic values prompted a search for better ways to run organizations and develop people in them.

Optimistic Value

Optimistic values post that: people are basically good, that progress is possible and desirable in human affairs, and that rationality, reason, and goodwill are the tools for making progress. **Democratic Value**

They assert the sanctity of the individual, the right of people to be free from arbitrary misuse of power, fair and equitable treatment for all, and need for justice through the rule of law and due process. The democratic values prompted a critique of authoritarian, autocratic, and arbitrary management practices as well as the dysfunctions of bureaucracies.

The validity of these values and their supporting assumptions came from many sources:

- The Hawthorne studies,
- The human relations movement,
- The laboratory training movement,
- The clash between fascism and democracy in World War II,
- Increasing awareness of the dysfunctions of bureaucracies,
- Research on the effects of different leadership styles, and
- Greater understanding of individual motivation and group dynamics.

Robert Tannenbaum listed these values in transition:

- Away from a view of people as essentially bad toward a view of people as basically good.
- Away from avoidance of negative evaluation of individuals toward confirming them as human beings.
- Away from a view of individuals as fixed, toward seeing them as being in process.
- Away from resisting and fearing individual differences toward accepting and utilising them.
- Away from utilising an individual primarily with reference to his or her job description toward viewing an individual as a whole person.

- Away from walling off the expression of feelings toward making possible both appropriate expression and effective use.
- Away from maskmanship and game playing toward authentic behavior.

Assumptions:

Assumptions are beliefs that are regarded as so valuable and obviously correct that they are taken for granted and rarely examined or questioned. Richard Bechard in his book described “several assumptions about the nature and functioning of organizations” held by OD practitioners:

1. The basic building blocks of an organization are groups (teams). Therefore, the basic unit of change is groups, not individuals.
2. An always relevant change goal is the reduction of inappropriate competition between parts of the organization and the development of a more collaborative condition.
3. Decision making in a healthy organization is located where the information sources are, rather than in a particular role or level.
4. Organizations, subunits of organizations, and individuals continuously manage their affairs against goals. Controls are interim measurements, not the base of managerial strategy.
5. One goal of healthy organization is to develop generally open communication, mutual trust, and confidence between and across levels.
6. “People support what they help to create”. People affected by a change must be allowed active participation and a sense of ownership in the planning and conduct of the change.

Implications of OD values

- ✦ Implications for dealing with individuals.
- ✦ Implications for dealing with groups.
- ✦ Implications for designing and running organizations.

Individuals

- ✦ Most individuals are naturally driven towards personal growth and development if provided with environment.
- ✦ Most people desire and are capable of making greater contribution towards attaining organization goals.

- ✦ Ask-listen-support-challenge-encourage risk taking- permit failure-remove obstacles-give autonomy and responsibility-set high standards-reward success.

Groups

- ✦ What occurs at the formal and informal levels, greatly influences feelings of satisfaction and competence.
- ✦ People wish to be accepted and interact co-operatively at least with one reference group.
- ✦ People are capable of making great contributions to a groups effectiveness.
- ✦ Let teams flourish-leaders should invest in groups-adopt a team leadership style.

Organisation

- ✦ Developmental outlook and opportunities in which people can experience personal and professional growth.
- ✦ Create organizations that on one hand are humane, developmental, and empowering and on the other hand are high performing in terms of productivity, quality of out-put and profitability.

Thus, values, assumptions, and beliefs are all cognitive facts or propositions, with values being beliefs about being good and bad, and assumptions being strongly held, relatively unexamined beliefs accepted as the truth. Values, assumptions, and beliefs provide structure and stability for people as they attempt to understand the world around them.

INTRODUCTION TO ORGANIZATIONAL CHANGE

Organizational change is defined as change that has an impact on the way the work is performed and has significant effects on staff. This could include changes:

- In the structure of an organization
- To organizational operation and size of a workforce
- To working hours or practices
- In the way roles are carried out
- To the scope of role that results in a change to the working situation, structure, terms and conditions or environment.
- Organizational change can have an impact irrespective of whether changes are viewed as large or small.

Features of Organisational Change

There are four key features of change management:

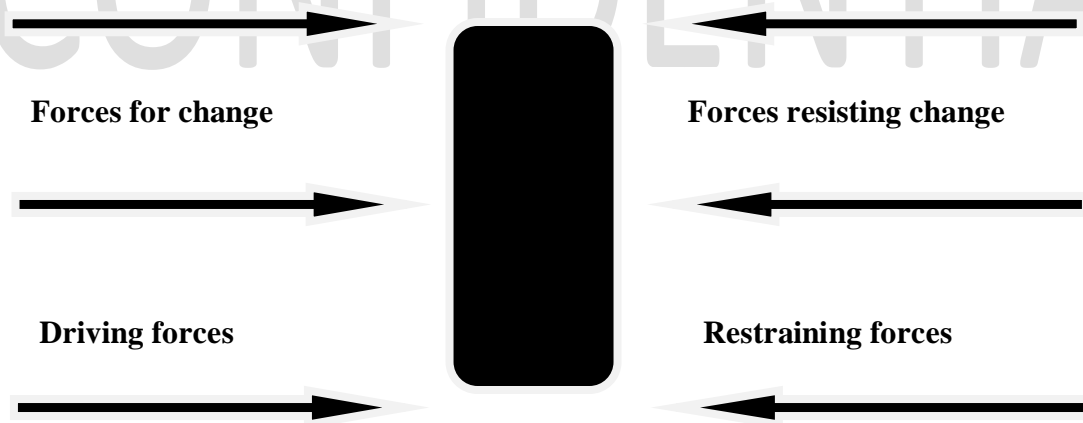
- Change is the result of dissatisfaction with present strategies.
- It is essential to develop a vision for a better alternative.
- Management has to develop strategies to implement change.
- There will be resistance to change.

Forces for change

Many factors drive change in a business. Lewin identified four forces. In Lewin's model there are forces driving change and forces restraining it. Where there is equilibrium between the two sets of forces there will be no change. In order for change to occur the driving force must exceed the restraining force.

Lewin's analysis can be used to:

- Investigate the balance of power involved in an issue
- Identify the key stakeholders on the issue
- Identify opponents and allies
- Identify how to influence the target groups



Some examples of the forces that drive change include: **Internal**

forces

- Desire to increase profitability
 - Reorganization to increase efficiency
 - Conflict between departments
 - To change organizational culture
- External forces**

- Customer demand
- Competition
- Cost of inputs
- Legislation & taxes
- Political
- Ethics & social values
- Technological change

Nature of Planned Change:

Planned change occurs when leaders in the organization recognize the need for a major change and proactively organize a plan to accomplish the change. Planned change occurs with successful implementation of a Strategic plan, plan for reorganization, or other implementation of a change of these magnitudes.

Organizational Development is directed in bringing about planned change in order to increase the organizations' preferences, also it is generally initiated and implemented by manger often with the help of an OD practice. Planned change can be used by organizations:

1. To solve problems
2. To learn from experience
3. To adapt to external environmental change
4. To improve performance
5. To influence future changes
6. To reframe shared perceptions

Change in the organization can be accomplished through these four steps:

1. Entering
2. Diagnosing
3. Planning and implementing
4. Evaluating and institutionalizing

In order for change to happen one must enter the common grounds of the organization to facilitate and see the problems and possibility for change. You understand the problems of the organization and determine possible solutions for it. Then, the diagnosing process is done. In this part of the process, one runs a diagnosis on the alternatives that will fit best according to the problems. You focus on how and why the

problems occurred in order to have a better understanding of the problem. Data gathering is also done in this procedure.

The step of planning and implementing the alternatives follow after. They propose changes that will work best with their objectives and as well with their mission and vision. The last step is the evaluation of the alternatives implemented. It will be evaluated on how the alternatives fit with the policies and procedures of the organization. They will further decide if the changes done will be sustained or eradicated.

Change is fundamental in every organization and its something that its members should cope with. Change normally enables an organization to work better. Whether it is and incremental change, if it will increase the effectiveness of the organization, then they should consider these methods and procedures.

OD MODELS OF PLANNED CHANGE

Lewin Model of Change

Kurt Lewin proposed a three stage theory of change commonly referred to as Unfreeze Change, Freeze (or Refreeze). It is possible to take these stages to quite complicated levels but I don't believe this is necessary to be able to work with the theory. But be aware that the theory has been criticized for being too simplistic.

A lot has changed since the theory was originally presented in 1947, but the Kurt Lewin model is still extremely relevant. Many other more modern change models are actually based on the Kurt Lewin model. I'm going to head down a middle road and give you just enough information to make you dangerous...and perhaps a little more to whet your appetite!. So, three stages. Unfreezing, Change, Freezing. Let's look at each of these.

Stage 1: Unfreezing

The unfreezing stage is probably one of the more important stages to understand in the world of change we live in today. This stage is about getting ready to change. It involves getting to a point of understanding that change is necessary and getting ready to move away from our current comfort zone. This first stage is about preparing ourselves, or others, before the change (and ideally creating a situation in which we want the change)

The more we feel that change is necessary, the more urgent it is, the more motivated we are to make the change. Right? Yes, of course! If you understand procrastination (like I

do!) then you'd recognize that the closer the deadline, the more likely you are to snap into action and actually get the job started!

With the deadline comes some sort of reward or punishment linked to the job. If there no deadline, then the urge to change is lower than the need to change. There's much lower motivation to make a change and get on with it. Unfreezing and getting motivated for the change is all about weighing up the 'pro's' and 'con's' and deciding if the 'pro's' outnumber the 'con's' before you take any action. This is the basis of what Kurt Lewin called the Force Field Analysis.

Force Field Analysis is a fancy way of saying that there are lots of different factors (forces) for and against making change that we need to be aware of (analysis). If the factors for change outweigh the factors against change we'll make the change. If not, then there's low motivation to change-and if we feel pushed to change we're likely to get grumpy and dig in our heels.

This first 'unfreezing' stage involves moving ourselves, or a department, or an entire business towards motivation for change. The Kurt Lewin Force Field Analysis is a useful way to understand this process and there are plenty of ideas of how this can be done.

Stage 2: Change – or Transition

Kurt Lewin was aware that change is not an event, but rather a process. He called that process a transition. Transition is the inner movement or journey we make in reaction to a change. This second stage occurs as we make the changes that are needed.

People are 'unfrozen' and moving towards a new way of being. That said this stage is often the hardest as people are unsure or even fearful. Imagine bungee jumping or parachuting. You may have convinced yourself that there is a great benefit for you to make the jump, but now you find yourself on the edge looking down. Scary stuff! But when you do it you may learn a lot about yourself.

This is not an easy time as people are learning about the changes and need to be given time to understand and work with them. Support is really important here and can be in the form of training, coaching, and expecting mistakes as part of the process.

Using role models and allowing people to develop their own solutions also help to make the changes. It's also really useful to keep communicating a clear picture of the desired change and the benefits to people so they don't lose sight of where they are heading.

Stage 3: Freezing (or Refreezing)

Kurt Lewin refers to this stage as freezing although a lot of people refer to it as 'refreezing'. As the name suggests this stage is about establishing stability once the changes have been made. The changes are accepted and become the new norm. People form new relationships and become comfortable with their routines. This can take time.

It's often at this point that people laugh and tell me that practically there is never time for this 'freezing' stage. And it's just this that's drawn criticism to the Kurt Lewin model. In today's world of change the next new change could happen in weeks or less. There is just no time to settle into comfortable routines. This rigidity of freezing does not fit with modern thinking about change being a continuous, sometimes chaotic process in which great flexibility is demanded.

So, popular thought has moved away from the concept of freezing. Instead, we should think about this final stage as being more flexible, something like a milkshake or soft service cream, in the current favorite flavor, rather than a rigid frozen block. This way

'Unfreezing' for the next change might be easier.

Lewin's concern is about reinforcing the change and ensuring that the desired change is accepted and maintained into the future. Without this people tend to go back to doing what they are used to doing. This is probably what Kurt Lewin meant by freezing – supporting the desired change to make sure it continues and is not lost.

Burke-Litwin change Model

The Burke-Litwin change model revolves around defining and establishing a cause-and-effect relationship between 12 organizational dimensions that are key to organizational change. Let's take a look at how this change model can make the process easier.

- **Assessing Key Factors**

The Burke-Litwin change model strives to bring in change in the performance of a team or an organization by establishing links between performance and the internal and external factors which affect performance. This change model is based on assessing the

organization as well as environmental factors which can be tweaked so as to ensure a successful change. The Burke-Litwin change model begins with outlining as framework.

Comprising the affecting factors which can be manipulated to guarantee a smoother transition from one phase of the change process or another. The most critical aspect here is establishing the links between the twelve dimensions of this change framework. Before we talk about these 12 dimensions. Here is a little insight into the basic philosophy on which this change model is based.

- **The Basic Philosophy of Burke and Litwin Change Model**

Here are some of the key points of this change model:

1. The most dominant factor that triggers organizational change is the external environment. It is the external environment that makes an organization to change its mission. Culture, leadership and its operating strategies.
2. The changes in the 12 key dimensions. As identified by the Burke and Litwin model. Bring about a series of changes in the structure. Practices and the system of the organization.
3. All the affecting factors put together affects the motivation level of the individuals in an organization, which in turn impacts the overall performance.
4. The 12 key dimensions of the change model interact with and affect each other. And understanding the linkage between these supportive pillars is the key to effective and smoother change. **The Twelve Dimensions**

1. External Environment: The key external factors that have an impact on the organization must be identified and their direct and indirect impact on the organization should be clearly established.

2. Mission and Strategy: the vision, mission and the strategy of the organization defined by the top management should be examined in terms of the employees' point-ofview about them.

3. Leadership: A study of the leadership structure of the organization should be carried out, which clearly identifies the chief role models in the organization.

4. Organizational Culture: An organizational culture study should seek information on the explicit as well as the implied rules, regulations, customs, principles and values that influence the organization behavior.

5. Structure: The study of structure should not be confined to hierarchical structure; rather it should be a function based structure focusing on the responsibility, authority, communication, decision making and control structure that exists between the people of the organization.

6. Systems: Systems includes all types of policies and procedures with regards to both the people and the operations of the organization.

7. Management Practices: This would entail a study of how well the managers conform to the organization's strategy when dealing with employees and the resources.

8. Work Unit Climate: It is a collective study of how the employees think, feel and what do they expect. The kind of relationships the employees share with their team members and members of other teams is also an important aspect of work unit climate.

9. Tasks and Skills: This involves understanding what a specific job position demands and the kind of skills and knowledge that an employee must have in order to fulfill the task responsibilities of that job position. It's important to see how well jobs and employees have been matched.

10. Individual Values and Needs: This dimension seeks to explore the employee's enrichment and better job satisfaction.

11. Motivation Level: Identifying the motivation level of the employees will make it easier to determine how willingly they would put in their efforts to achieve organizational goals. This would also involve identifying motivational triggers.

12. Individual and Overall Performance: This dimension takes into account the level of performance, on individual and organizational levels, in key areas like productivity, quality, efficiency, budget and customer satisfaction etc.

Putting the Burke-Litwin Change Model to Effective Use

Burke-Litwin model provides an effective strategy to manage organizational change, but its effectiveness is subject to how well each of the twelve dimensions identified by it are

explored and put to use. The other most critical aspect is how well the management and the staff collaborate to achieve the new strategies and goals as proposed in the change.

LEAVITT MODEL

Leavitt offered a new approach to looking at organizations, in which every organization consists of four interactive components. This approach is now widely used for making organizational change more effective. Keep reading to learn more about these components and their interactive behavior.

The Four Components

Leavitt's diamond proposes that every organizational system is made up of four main components: People, Task, Structure and Technology. It is the interaction between these four components that determines the fate of an organization.

This organization tool was conceptualized by Dr. Harold Leavitt, who served as a professor at two universities, Claremont University and Stanford University. He also emphasized that any change in one of these elements will have a direct effect on all the other elements, and thus they will also need to be tweaked to accommodate the change. Leavitt's diamond is an integrated approach and is widely used for managing organizational change. Let's go deeper into each of the components of this diamond and how they interact with each other.

1. People

The people are the employees of the organization. When using this approach, you don't just look at employees as accountants, receptionist, managers, etc. Instead you also look at component will need to be modified with respect to changes in the other three components.

□ Change in Tasks:

- Changes in how things are done. If you're planning to change the tasks, you will have to educate and train the employees to make them familiar with the new methods.

□ Change in Structure:

- Change in structure would imply changing job roles. Here again the employees would need help to learn about their new job duties and responsibilities.

□ **Change in Technology:**

- Shifting to a new technology requires extensive training, so that the employees can handle the new technology efficiently without causing any damage to themselves or the technology. This may even involve hiring new skilled employees to handle the new technology.

2. Tasks

This component can include goals in addition to tasks. Thus this component would include looking at two things—firstly how things are being done and secondly what are you trying to achieve. Here again, you focus more on the qualitative aspects of the tasks and goals rather than the actual tasks and goals. When looking at tasks think about their relevance and their benefits, and when looking at goals think about the yield and productivity. Now let's see how tasks are affected by change in other factors.

□ **Change in People:**

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- If you're changing you or manpower, you 'll need to modify the tasks or goals to make right and optimum use of their skills and knowledge. For instance, if you're employing a computer literate accountant, would you still keep going with you old style of manual bookkeeping?
- **Change in Structure:**
 - What happens if an organization decides to shift form a pyramid hierarchical setup to a flat organization, can it continue with the change without altering the tasks or processes? No, and the same is true for goals. If you're merging two department, into one or splitting a department into two, you cannot continue with the same goals.
- **Changes in Technology:**
 - Shifting to a newer technology would require making changes to the way things are done. Also, as you move on to more advanced technology, the goals must be raised to reap benefits and to cover the costs of the technology. In some cases the goals may need to be completely changed.

3. Structure

The structure component of Leavitt's Diamond includes not only the hierarchical structure, but also the relationships, communication patterns and coordination between different management levels, departments and employees. This would also include how authority and responsibility flow within the organization. The structure needs to be altered, when changes are made to any other component of the diamond.

- **Changes in people:**
 - If you're hiring more skilled and more qualified people, you won't need the same kind of supervision as is needed for less skilled and less qualified employees. This would mean cutting down the number of supervisory posts. Now, it's not just about hiring a fresh, the same would be true if you empower your existing employees through training. As we mentioned earlier, the approach is more focused on the qualitative aspects of each factor, so if



- you're simply replacing your receptionist with a new one, it doesn't count and surely that wouldn't require any changes to the structure.

□ **Changes in Tasks:**

Let's say you decide to make your company more customer-centric. For this, you'll need to set up a new customer support department or you may need to have more people out in the field. That explains how the structure may need to be changed, with a modification in goals. When business processes are reengineered, the need for some of the job posts or even management levels may completely perish.

□ **Changes in Technology:**

- Computerization or automation often requires revamping the organizational structure to benefit from the technology upgrade. New job posts may be created and old ones closed down to make best use of the new technology. And even if no changes are needed in the job posts. Changes may be needed in interdepartmental coordination or the communication pattern.

4. Technology

Technology is that component of the organization which aids or facilitates the people to perform the tasks. Computers, equipments, LAN lines, barcode readers, software applications, etc. Are all counted under technology. Technology too, like all the other components of the Leavitt's diamond, will need to be changed when modification are made to any other component.

□ **Changes in people:**

- If you're hiring computer literate employees, you cannot ask them to work on typewriters. Similarly, if you're hiring engineers instead of mechanics, the old tools and equipment may not be enough. So, to take full advantage of your manpower, you'll need to change the technology in accordance with the change in the knowledge, qualifications and skills, of you or workforce. Even if you want your employees handle additional tasks, you may have to provide them with technology that helps them in this direction. For instance,



- if you want your programmer to make field visits to clients, you need to equip him with a laptop and a wireless internet data-card to help him perform the added.
- **Changes in Tasks:**

Changes in tasks or goals may also compel you for a technological change. For instance, if you want to use your customer support center for order processing as well, you will need to replace your existing software with a new application which has customer service and order processing integrated into one.
- **Changes in Structure:**
 - If you want to cut down staff from a particular department, you will have to automate some processes, to maintain the same level of production. Whether you're trying to shrink your organization structure or expand it, technological changes will be needed to support the new structure

GROUP AND GROUP DYNAMICS

Group is defined as minimum two or more than two individuals who come together to complete particular task(s) usually towards achievement of goal(s). These individuals normally related to each other by some organizational or social relationships. The behavior of individuals in a group may get modified to certain extent as compared their behavior when they are independent of the group. This is due to the interactions between the members of the group and their influence on each other.

Group Dynamics

Group dynamics is the study of groups. It is an important subject of organizational behavior (OB), particularly for the organizational groups.

- It studies group's
- Formation
- Structure
- Interaction and behavior - Process.



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Study of the group processes forms the most important core subject of the studies while looking at the group functioning. Due to this reason, many a time, people understand group dynamics and group process as one and the same.

Formation of Group

Individuals sharing common sentiments, purpose and activities start interacting and form a group. When individuals perceive that they can expect beneficial exchanges



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explicitly or implicitly by forming the group, they do so and become part of the group. When individuals believe that they can get an identity, belongingness, self-esteem or prestige by affiliating to a particular or significant or prominent group, they do so.

Bruce Tuckman gave a five stage framework for formation and development of groups in 1960s. These five stages are given below:

1. Forming:

- Due to any one of the reasons enunciated.
- Normally, the group gets formed with an incomplete idea of its goals or purposes. So, at the beginning of formation, there is some confusing and uncertainty.
- Leadership of the group and the roles and tasks to be undertaken by the group do not emerge clearly. Thus, forming is an induction process through which members get to know each other and share expectations from the group.
- Members gradually learn the purpose of the group and the guidelines to be followed.
- Forming stage should not be rushed because trust and openness have yet to develop. These feelings strengthen in later stages of development.

2. Storming:

- In this stage, the group is likely to experience the highest level of disagreement and conflict as members may voice concerns and criticism.
- Members often question and challenge group goals.
- They also struggle for power or leadership.
- If members can ultimately achieve understanding and cohesiveness through collaboration and resolution, the group may continue as a group. Otherwise, the group may disband. However, if it still continues, it may remain ineffective and may not make progress to the subsequent stages.

3. Norming:

- In this stage, the members start recognizing their individual differences and also their shared expectations.
- Members may begin to develop a feeling of group identity and group harmony.
- Cooperative efforts may begin.
- Roles and responsibilities among members may get decided.



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- They may also decide on how to evaluate progress of the group.

4. Performing

- At performing stage, group might have achieved maturity and there will be greater degree of harmony among its members.
- There is more mutual acceptance among the members now.
- Conflict can be managed and resolved more amicably through collaborative processes.
- Decision making takes place more on rational basis aimed at achieving goals rather than highlighting the emotional issues.

5. Adjourning:

- All groups do not experience this stage at all. Many groups remain permanent.
- Some groups that complete their tasks and goals may decide on disbanding the group.
- This stage is characterized by the feelings of sadness normally associated with closure of any group and separation of the members.

Group Process

The major factors or elements of group process are:

- Extent of task focus (giving information, seeking information, summarizing, getting on etc) and extent of social focus (encouraging, harmonizing, drawing in, mirroring, pleasing, entertaining etc)
- Characteristics of communication, coordination, cooperation, support and collaboration
- Patterns of self-oriented behavior (silence, hurt feeling, withdrawal, tension, anxiety etc)
- Mix of influencing, convincing, dictating, bribing, cajoling, flattery etc
- Roles
- Relationships
- Patterns of dominance and submission
- Conflict management and conflict resolution
- Level of group effectiveness
- Team building and synergy

Types of groups



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- Informal groups
- Formal groups

Informal Groups

These groups may get formed within an organization or outside an organization. They do not necessarily follow the rules and guidelines of the organization. They informally follow the guidelines of the informal; group. These groups are called interest groups, friendship groups, reference groups etc. Given below are a few examples of informal groups:

- Employees meet near water cooler and gossip
- Five secretaries from marketing department meet once a month for lunch to discuss mutual concerns and to seek relief from tedious aspects of their job
- Four computer programmers form a jogging club that meets three days per week to run five miles after office hours
- All employees of a section meet and discuss how to improve and beautify office layouts
- Seven workers of a production shop floor meet once a week to solve their technical problems

Formal Groups

These groups are formally created in an organization and follow the rules and guidelines prescribed by the organization. These are:

1. Command groups

They are explained by a formal organization structure and depicted on the organizational chart. A company's organization network starting with the chairman of board of directors through its various levels of managers right down to the workers is a typical command group example.

2. Task groups or task forces

People working together to achieve a common task form a task group or a task force. Members are grouped together either from the same department or cross-functionally to complete some specified goals on timeline. These task forces are appointed for a specified period and disbanded after the goals are achieved.

3. Functional groups



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Functional group is created to carry out specific functions in an organization. These are normally on-going departments of an organization and are permanent till re-structuring of organization is undertaken.

Group Dynamics Theory

Kurt Lewin had a profound impact on thinking regarding Group Dynamics. Two key ideas emerged out of field theory that are crucial to an appreciation of group process: interdependence of fate, and task interdependence.

Interdependence of fate – Groups come into being when people realize their fate depends on the fate of the group as a whole. A group will contain individuals of very different character, but when an individual learns how much his own fate depends on the fate of the entire group he will proactively take responsibility for his part in the group's welfare. However, Lewin argued that Interdependence of fate can be a fairly weak form of interdependence in many groups.

Task interdependence – Lewin argued a more significant factor is where there is interdependence in the goals of group members. In other words, if the group's task is such that members of the group are dependent on each other for achievement, then a powerful dynamic is created. Task interdependence can be positive or negative. In negative interdependence – known more usually as competition – one person's success is another's failure. Positive interdependence results in the group being a dynamic whole.'

One of the most interesting pieces of Group Dynamics work concerned the exploration of different styles or types of leadership on group structure and member behavior. Three classic group leadership models we studied – democratic, autocratic and laissez-faire. The research concluded that there was more originality, group-aggression, hostility, scapegoating and discontent in laissez-faire and autocratic groups

Key points of Group Dynamic Theory

- Groups under conditions of positive interdependence were generally more cooperative and tend to be productive as compared to those working under negative task
- Democracy must be learned anew in each generation, and that it is a far more difficult form of social structure to attain and to maintain than is autocracy
- The difference in behavior in autocratic, democratic and laissez-faire situations is not, on the whole, a result of individual differences.



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- Democracy cannot be imposed on people, but has to be learnt by a process of voluntary and responsible participation.
- Change and periods of transition needs to be facilitated and guided.
- Motivation for change must be generated before change can occur. Participants must be helped to re-examine many cherished assumptions about self, relationships and the group as part of the process.

Applying Group Dynamic Theory in an OD Intervention

1. Encourage the senior leadership team to be the same as any good teacher, becoming unnecessary, and allowing natural leaders to rise from the group during a period of transition.
2. Asking the Leader to change one or more of their characteristics or replace the leader with another person to harness the power of an informal group.
3. Systematically rotate out of the group its leaders and its key members in order to facilitate the emergence of a leader who has aims similar to the organization
4. Be alert to leaders sympathetic to the organizations objectives and use them toward the betterment of the formal groups effectiveness.
5. Locate the best person in the group who is the best position to facilitate the smooth flow of information among group members
6. Locate the best person in the group who is the best position to facilitate the smooth flow of information among group members
7. Encourage group discussion and decision-making, and ensure participants regardless of position, treat each other as peers.
8. Use a feedback activity to enable participants to engage in active dialogue about differences of interpretation and observation of the events by those who had participated in them.
9. Develop a creative tension in the learning environment, bringing together the immediate experiences of the participants and the conceptual models of the facilitators in an open atmosphere where inputs from each perspective could challenge and stimulate the other.



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10. Observe the behavior patterns of the group through interviews and asking the group members to identify their own norms; as members become aware of negative norms they commonly reject them and seek to change their behavior.
11. Create an environment in which values and beliefs can be challenged.
12. Develop the group as students of OD tools, providing the group with models for organizing ideas through brief lectures, reading material. Handouts and experiential learning techniques.

Inter group Dynamics

Intergroup behaviour, or the way groups interact with other groups, is best examined in terms of the frequency and interaction type the groups engage in. Thomas (1976) elaborated on this concept by noting that the nature of intergroup interactions depends largely on the degree to which groups must interact to achieve their goals, and the degree of compatibility between the goals of different groups.

- **Accommodation** interaction is based on groups having similar goals and taking part in minimal to moderate mutual concession and cooperation to achieve them.
- **Avoidance** interaction is found between groups where there are different or conflicting goals and even minimal collaboration is not warranted. Both of these interactions are viewed as having no to low impact on successfully achieving each group's goals.
- **Collaboration** interaction is necessary when two groups must interact to meet specific goals that are vastly incompatible.
- **Competition** interaction usually occurs when two groups must interact to meet specific goals that are vastly incompatible.
- **Compromise** interaction occurs when two groups have a moderate need to interact to meet specific goals that are moderately compatible. In this interaction, the two groups may work together on a semi-regular basis to ensure they are on track to meet the overlapping goals.
- **Deindividuation** is a phenomenon that occurs when individuals of a group become less aware of their values.



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- **Diffusion of responsibility** is the tendency for group members to feel diminished responsibility for their actions when surrounded by others who are behaving in a similar manner. Intergroup behaviour is influenced by factors beyond interaction types. Examples of these include Interdependence, Organizational Culture, Past History, and Organizational Social Network.
- **Interdependence** is the degree to which group depend on each other and is determined by the type of group tasks (i.e., simple versus complex), organization structure, and the organizational authority system). Interdependence may occur in one of three common forms:
 - **Pooled interdependence:** The combined efforts of largely separate groups positively contribute to the organization.
 - **Sequential interdependence:** The effort or output of one group is used as the input for another group.
 - **Reciprocal interdependence:** A series of mutual exchanges between groups, requiring a high degree of continuous interactions.
- **Organizational culture** and its shared norms, values, and power structure, often dictate the frequency and degree to which intergroup interactions and collaborations occur.
- **Past history with intergroup relationships** also impact interdependence behaviour. The influence of this factor is directly connected to the past interaction experience between groups. Whether the interaction was positive or negative, new group members may be influenced in the direction of the group's previous experience.
- **Social networks in organizations** are another vital factor when considering intergroup behaviour. Cordial individual group member interaction is believed to greatly impact the quality of intergroup relationships.

Organisation as System

A system is a whole made up of parts. Each part can affect the way other parts work and the way all parts work together will determine how well the system works. This is a fundamental challenge to traditional management thinking. Traditionally we have learned to manage and organization by managing its separate pieces (sales, marketing, production, logistics, service,



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etc.) in essence, the systems perspective emphasizes that everything is connected to everything else and that it's often worth while to model businesses and processes in terms of flows and feedback loops. Systems thinking stresses linkages and relationships and flows. It emphasizes that any given employer unit of activity is part of a larger entity and that ultimately those entities, working together, are justified by the results they produce. To effectively, nimbly, and proactively adapt to the demands of a rapidly changing environment, all system components – inputs, processes, outputs, and feedback – must be managed.

Systems theory was first introduced by Van Bertalanffy (1950) and was introduced into the organizational setting by Katz and Khan (1966). Systems theory is an approach to organizations which liken the enterprise to an organism with interdependent parts, each with its own specific function and interrelated responsibilities. The system may be the whole organization, a division, department or team; but whether the whole or a part, it is important for the OD practitioner to understand how the system operates, and the relationship the parts of the organization have.

The emphasis in OD is that that real systems are open to, and interact with, their environments. And it is possible to acquire new properties through emergence, resulting in continual evolution. Rather than reducing an organization to the properties of its parts or elements, systems theory focuses on the arrangement of and relations between the parts which connect them into a whole.

1. The organization is an open system, which interacts with the environment and continually adapting and improving.
2. The organization influences and is influenced by the environment in which it operates
3. If an organization is to be effective it must pay attention to the external environment, and take steps to adjust itself to accommodate the changes in order to remain relevant
4. All parts of the organization are interconnected and interdependent; If one part of the system is affected, all parts are.
5. It is not possible to know everything about the system, but if you look hard enough there are plenty of clues.

Applying Systems Theory in an OD intervention



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- 1. Use mixed groups to achieve a rich understanding how the change is seen from different perspectives.
- 2. Generate a holistic view of what must be done to give the organization a secure future.
- 3. Use diagnostic events to enhance people's understanding of important independencies and to support them in devising a way forward.
- 4. Help different sub-systems to work well together in independent areas.
- 5. Use processes that will increase collaboration across units.
- 6. Honour the primacy of relationship between different groups.
- 7. Where possible bring in outside bodies/data to stimulate the organization to think about the issues.
- 8. Expose people to the outside world in which the organization operates.
- 9. Ensure the organization stays externally sensitive and not insulated in their perspective.
- 10. Help the leadership team understand that they don't have all the data required to manage change the organization desires.