GOVERNMENT ARTS COLLEGE (Autonomous)

Coimbatore

Department of Psychology
M. Sc SECOND YEAR

THIRD SEMESTER

ORGANISATION DEVELOPMENT

SUBJECT CODE: 18MPS32C

PREPARED BY
Dr. A. SHANMUGASUNDARAM
+91 9894287606

M. Sc Psychology - II YEAR
ORGANISATIONAL DEVELOPMENT
Syllabus

Unit V

Assessment of O.D. and change in oganisational performance – The impact of O.D. Some key considerations and issues in O.D. – Issues in Consultant – Client relationship mechanistic & organic system: and contingency approach. The failure of O.D. – Some India Experience in O.D.

Unit – V

INTRODUCTION ASSESSMENT OF OD

Many times because of the unfamiliarity with the organization development methods, clients try to put the consultant in the role of expert, such as on personnel policy or business strategy. The OD consultant should be prepared to describe in broad outline what the organization might look if it were to go very far with an OD effort. Burns and Stalker propose two contrasting forms of management systems to suit different conditions. These are called as mechanistic and organic forms.

Assessment of OD

Assessment is concerned with providing, feedback to the practitioner and organisation members about the progress and the impact of OD interventions. Assessing OD interventions involves judgments about whether an intervention has been implemented as intended and if so, whether it is having desired results. Managers investing resources in OD efforts increasingly are being held accountable for results-being asked to justify the expenditures in terms of hard, bottom-line outcomes.

More and more, managers are asking for rigorous assessment of OD interventions and are using the results to make important resource allocation decisions about OD, such as whether to continue to support the change program, to modify or alter it, or to terminal it and try something else. In order to undertake and OD assessment program it is necessary to identify the basic components of OD assessment. They are as follows:

Objectives: it is synonymous to mission, goals or aims. The objective of an assessment at the initial stages of the main change program is to gain knowledge and insight the efficacy and design of the main change program.

Worth or value: for the focal variables which can be individual, object, situation or a program.

Measurement: the technique of measurement of social variables is done through psychometric tests. It is the quantitative dimension of the variable. Estimation of worth can also be made by other methods which are qualitative like interviewing, observational methods, simulation and projective techniques.

Comparison: The data obtained from the measurement can be compared from the data measured form other reference.

Conclusion: it is arriving at a judgment after comparison is made.

Changes in Organisational Performance

When it comes to change and organizational performance, we understand that employees, managers and leaders are the best source of sustainable competitive advantage and performance in today's global marketplace. Without them on board, even the best strategies have little impact. We also understand the impact and implications of change and organizational performance at both Board and trench level and the layers in between, across complex markets and multi-stakeholder environments and cultures, the short and the longterm. So, we partner with you to provide the services that will give your organisation the most value from planning to implementation. Specifically, we commit to improving your organizational performance in for business areas;

- Organisational communications
- Employee Engagement and Commitment
- Change Communication
- Employer Branding

Issues in Consultant-Client Relationship

Consultant

One definition to consider for consultants is "those who provide general management advice within strategic, organizational, or operational context, and who are institutionally organized in firms" (Canback, 1998). That is not sufficient, however, to capture some key points about management consultancy. A more comprehensive definition is: Consultant is an advisory contracted for and provided to organizations to help in an objective and independent manner, the client organization to identify management problems, analyse such problems, and help, when requested, in the implementation of solutions (Greiner and Metzger, 1983).

This is an important elaboration upon the earlier definition. For example, it emphasizes that management consultants would not take the place of staff within the organization. Nor would they have direct clout in an organization. Kubr (1996) notes that

"objective and independent" implies a financial, administrative, political and emotional independence from the client. Further, there is an implication that the resources of a firm typically back the management consulting activities, i.e. it is typically more than a simple individual. **Role of consultant**

Schein (1990) has identified three broadly accepted models of consultation: purchase of expertise, doctor-patient, and process consultation:

(1)   Purchase-of-expertise suggests that clients are looking for consultants to provide independent perspective to bear on specific challenges hand. There is no expectation to focus on the client relationship per se, but rather to provide expertisein a detached manner.

(2)   The doctor-patient model has consultant focusing on using a diagnostic approach to examine the client organization's problems. From their distinct experience, knowledge and diagnostic abilities the consultants identify strategic and organizational problems. This model emphasizes the importance of building a strong relationships and developing trust between the client and the consultant.

(3)   The process consultation model considers the consultant as a facilitator with the client actually providing much of the relevant expertise. There is a clear distinction of roles and tasks. In the end the client chooses what to do about the problem. The consultant provides more of the framework and methodology for defining the problem and the best possible alternatives.

Alternatively, **Nees and Grenier (1985)** propose five categories of consultants:

(1)   The mental adventurer analyses truly intransigent problems such as long-term scenarios for country development, by applying rigorous economic methods and leveraging his or her experience base.

(2)   The strategic navigator bases his or her contribution on a rich quantitative understanding of the market and competitive dynamics, and then recommends courses of action without too much regard of the client perspective.

(3)   The management physician derives his or her recommendations form a deep understanding of the internal dynamics of the client organization, often willing to sacrifice some objectivity to gain a realistic perspective on what is achievable.

(4)   The system architect impacts his or her clients by helping redesign processes, routines, and systems-always in close cooperation with the client.

(5)   The friendly co-pilot counsels senior managers as a facilitator rather than as an expert, and has no ambition to provide new knowledge to the client (Nees and Grenier, 1985).

Nees and Grenier's model shows many similarities to Schein's (1990) study, for example the mental adventurer can be considered similar to the expert, the strategic navigator, management physician and system architect correlate with the "doctor- patient" model and the friendly co-pilot aligns with the process-consultation model. Institutionally organized strategy consultants are found primarily in the strategic navigator and management physician segments. In any event, consultant engagements beyond simply purchasing expertise require the development of a relationship between the consultant and the client. Turner (1982) proposed a continuum with eight categories of client-consultant relationships. His framework used a hierarchy of tasks to illustrate the level of extent of a client's involvement with a consultant. The eight task categories of client-consultant relationships. His framework used a hierarchy of tasks to illustrate the level of extent of a client's involvement with a consultant. The eight task categories identified are;

(1)Providing information to a client:

(2) Solving a client's problem:

(3) Making a diagnosis, this may necessitate redefinition of the problem;

(4) Making recommendations based on the diagnosis:

(5) Assisting with implementation of recommended actions:

(6) Building a consensus and commitment around a corrective action:

(7) Facilitating client learning: and

(8) Permanently improving organizational effectiveness.

 Turner argued that until the late 1970s, consultants tended to work more4 as suppliers to the client. Increasingly relationships in consulting engagements have evolved to build more of a partnership of mutual respect aimed at fundamentally improving the client's In a review of the consultancy literature, Can back proposed the following trends:

- Management consultants increasingly address critical, long term issues and are a critical part of the intellectual agenda of executives.

- Consultants add value by addressing both content and process issues based on expertise, methodology and general problems solving skills.

- Management consultants work together with their clients in a complicated and fluid relationship characterized by a high degree of mutual trust; and

- Management consultants are best organized in independent, specialized firms with unique characteristics and success factors.

As management consultants focus on higher order task categories, the relationships with their clients are potentially becoming increasing complex.

Client

The question of who the client is quickly becomes an important issue in consultantclient relationships. A viable model is one in which, in the initial contact, a single manager is the client, but as trust and confidence develop between the key client and the consultant, both begin to view the manager and his or her subordinate team as the client, and then the manager's total organization as the client.

Role of client

In discussing consultancy, it is important to clarify the concept of client. Schein points out that any helping or change process always has a target or a client (Schein, 1997). There is and assumption, for instance, that the client is always clearly identifiable, when in reality the question of the client actually is can be "ambiguous and problematic". There can be complicated dynamics around this very issue. Schein proposes a simplifying model to understand types of clients and types of clients and types of client relationships. In Schein's model, six basic types can be distinguished:

(1) Contact clients-the individual(s) who first contact the consultant with a request, question, or issue.

(2) Intermediate clients-the individuals or groups who or which get involved in various interviews, meetings, and other activities as the project evolves.

(3)   Primary clients-the individual(s) who ultimately "own" the problem or issue being worked on; they are typically also the ones who pay consulting bills or whose budget covers the consultation project.

(4)   Unwitting clients-members of the organization or client system above, below and laterally related to the primary clients who will be affected by interventions but who are not aware they will be impacted.

(5)   Indirect clients-members of the organization who are aware that they will be affected by the interventions but who are unknown to the consultant and who may feel either positive or negative about these effects

(6)   Ultimate clients-the community, the total organization, an occupational group, or any group that the consultant cares about and whose welfare must be considered in any intervention that the consultant makes (Schein, 1997).

Thus, concept of client is not straightforward. Different types of clients may well have different needs, expectations, influence and degrees of participation in the consultancy. The consultant, in fact the team, has to be clear as to who the client actually is at all times in the project. It is important to consider experiences from the clients' and consultants', in more detail, to understand the nature of these relationships initially from the client's point of view, and then the consultant's.

HOW CONTRACTS ARE MADE

An OD consulting contract can be occur in various ways. For example, an executive has some concerns about his or her organization and the consultant has been recommended as someone who could help. After a brief discussion of some of the problems and a discussion of the extent to which a consultants expertise is a reasonable fit for the situation, an arrangement is made to pursue the matter in next meeting.

During the face to face meeting, the consultant explores with the potential client some of the deeper aspects of the presenting problem. If communications between managers aren't as thorough and as cordial as they ought to be, the consultant asks for examples to get a better fix on the nature of the problem and its dynamics. Almost inevitably several interrelated problems surface. Or if the potential client sais "I want to move to self managed teams in Plant B" the rationale and objectives for such a programme are explored.

Furthermore, the consultant and the client in the first meeting, probably begin to sort out what group will be the logical starting point for an OD intervention. For example, in a manufacturing organization it might be important to focus on the top management team of eight people or in a city government it might appear prudent to include 20 key people, which would involve the city manager, assistant city managers and the department heads. Considerable thought should be given to exactly who is to be included – and thus who is to be excluded – in the first interventions. The exclusion of key people, in particular, can be a serious mistake.

If the problems appear to lend themselves for OD interventions, the consultant describes how he or she generally proceeds in such circumstances. For example, the consultant might say, "If I were to undertake this assignment, here's how I would probably want to proceed. First I would like to get the cooperation of the top management group to set aside, say, two and a half days for an offsite workshops and to participate in interviews in preparation for the workshop. I would then like to have individual interviews with the entire group, ask each what's going well with the top management team, what the problems are, and what they like things to be like, I would then extract themes from the interviews. These themes would be reported to the group at the workshop and the problem areas would become the agenda for our work together.

All kinds of nuances can arise in this discussion. In addition to problems of who can and who should attend the workshop other matters concern when and where it could be held, whether members of the management groups can be away from their offices for the desired period, whether the top person is to be briefed about the interview themes prior to the workshop, the extent of confidentiality of the interviews and so on. An overriding dimension in this preliminary discussion is the extent of mutual confidence and trust that begins to develop between consultant and client.

The more formal compensation aspects of the initial contract are also important and need to be clarified for the peace of mind of both client and consultant. One course of action is to have an oral arrangement for an hourly or daily fee, with no charge for a brief telephone discussion, and usually no charge for a longer first exploration. Thereafter, a bill might be sent for time spent, or a bill might be submitted for the total agreed upon price for the particular project.

The nature of consultant's expertise

Many times because of the unfamiliarity with the organization development methods, clients try to put the consultant in the role of expert, such as on personnel policy or business strategy. The OD consultant should be prepared to describe in broad outline what the organization might look if it were to go very far with and OD effort. Central to his or her role the OD consultant must be an expert on process and naturally wants to be perceived as competent. The consultant therefore, gets trapped into preparing reports or giving substantive advice, which if more than minimal, will reduce his or her effectiveness. There are four good reasons to encourage the OD consultant to avoid for the most part the

"expert role".

1. The major objective of an OD effort is to help the client system to develop its own resources. The expert role creates a kind of dependency that typically does not lead to internal skill development.

2. The expert role almost inevitably requires the consultant to defend his or her recommendations. Finding oneself in the expert role and defending one's advice tends to negate a collaborative, developmental approach to improving organizational processes.

3. One of the reasons for avoiding expert role has to do with trust. Any impression that the consultant is making recommendations inimical to members of client groups puts the consultant in the role of an adversary. For example, the disclosure that the consultant has made a secret recommendation that the number of divisions and vice presidents be reduced from 16 ti8 is likely to be met with widespread alarm and immediate distrust of the consultant.

4. Expectations can also turn out to be a major reason. If the consultant goes very far in the direction of being an expert on substance in contrast to process, the client is likely to expect more and more substantive recommendations, thus negating the OD consultant's central mission which is to help with the process.

There are some exceptions to the above reasons though. For example, it is usually desirable and necessary to give advice on the design of a workshop or the design of a questionnaire. Such advice is usually facilitating, providing that the consultant is open to modifications of his or her suggestions by members of the client system.

Another exception consists of providing a range of options open to the client. For example, if issues include how a unit or organization should be structured in terms of consultant can be helpful by presenting some optional forms and discussing the possible implications of each. However, such an intervention should be ordinarily presented in a team situation so as not to be misinterpreted must be timely in terms of its relevance and acceptability and should be essentially perspective-enlarging rather that prescriptive. Even the presenting of options canbe overdone. If the consultant's idea becomes the focal point for prolonged discussion and debate, the consultant has clearly shifted away from the facilitator role. This should be avoided at all costs.

The consultant as a model

Another important issue is whether the change agents are willing and able to practice what they preach. In the area of feelings, for example the consultant may be advocating a more open system in which feelings are considered legitimate and their expression important to effective problem solving and at the same time suppressing his or her own feelings about what is happening in the client system. In particular, this problem can be a frequent on for the less experienced practioner.

The more one learns to be in touch with one's feelings, the more spontaneous one can be and the greater the options open for interventions. However, the client system is not the appropriate ground for working out any problems the consultant may be currently experiencing. On the other hand, being to aloof emotionally will tend to minimize the possibilities of helping the client.

As another example of modelling behaviour, the OD consultant needs to give out clear messages-that is the consultant's words and apparent feelings need to be congruent. The consultant also needs to check on meanings, to suggest optional methods of solving problems, to encourage and support, to give feedback in constructive ways to accept feedback to help formulate issues, and to provide a spirit of enquiry. **The dependency and termination of client consultant relationship**

If the consultant is in the business of enhancing the client system's abilities in problem solving and renewal, then the consultant is in the business of assisting the effective managerial skills and insights rather than to create a prolonged dependency relationship. This issue tends to be minor

but if the consultant and client work out the expert versus facilitator issue described earlier and if the consultant subscribes to the dependency and more client growth than the traditional consulting modes, and the notion of a shared technology leads to learning on the part of the client.

The latter notion that if the consultant intervention is to be helpful in an ongoing sense, it is imperative for client to have 'free informed choice'. And to have this free choice the client requires a cognitive map of the overall process. Thus the consultant will have to be quite open about such matters as the objectives of the various interventions that are made and about the sequence of planned events. The OD consultant should continuously be part educator as he or she intervenes in the system

An issue of personal importance to the consultant is the dilemma of working to increase the resourcefulness of the client versus wanting to remain involved, to feel needed, and to feel competent. A satisfactory solution to this dilemma is gradual reduction in external consultant use as an OD effort reaches maturity. In a large organization. One or more key consultants can be retained in an ongoing relationship, but with less frequentuse. If the consultants are constantly developing their skills, they can continue to make innovative contributions. Furthermore, they can serve as a link with outside resources such as universities and research programmes, and more important, they can serve to help keep the OD effort at the highest possible professional and ethical level. Their skills and insights should serve as a standard against which to compare the activities of internal change agents. Some of the innovative and successful OD efforts on the world have maintained some planned level of external consultant use.

Another dimension of the issue arises, however when the consultant senses that his or her assistance is no longer needed or could be greatly reduced. For the client's good, to avoid wasting the consultant's own professional resources, and to be congruent, the consultant should confront the issue.

OD efforts frequently flounder because of internal power struggles that have not been sensed early enough by the consultant or understood well enough for anyone to intervene constructively. For example, some relatively powerful person or group may be fearful of losing status or influence and may be mobilizing support for the status quo through such tactics as

distorting information or discrediting whoever is seen as the treat. The threat may be the practioner or the OD effort or the treat may be wholly unrelated to the OD process. But if people in the organization get caught up in the political power maneuvering, the OD effort may be immobilized.

It would seem that such a situation, if sensed, need to be surfaced and confronted head on. Such shadowy struggles are usually dysfunctional whether or not and OD effort is underway, and the remedy may need to be a prompt description of reality by the chief executive officer. While a long term OD effort, should replace most such convert maneuvering with an open working through of issues, these situations can and do occur while an OD effort is under way. Sometimes the organization may be temporarily overloaded by externally imposed crises occupying the attention of key people. Under such conditions; The best strategy maybe one of reducing or suspending the more formalized aspects at a later date.

Mechanistic and Organic System

Burns and Stalker propose two contrasting forms of management systems to suit Different conditions. These are called as mechanistic and organic forms. A mechanistic management system is considered appropriate to stable conditions while the organic form is suitable to changing conditions.

It is observed that organic systems are not hierarchical in the same way as mechanistic systems and they remain stratified based on expertise. Also, people's commitment to the cause of the organization is supposed to be more in organic than mechanistic systems. In an organic form the hierarchic command gives way to consensus based commitment. The two forms of systems represent two ends of a continuum than being dichotomous.

The relation of one form to the other is elastic and an organization may oscillate from one end (mechanistic) to the other end (organic) as the transition occurs in its conditions from relative stability to relative change We have considered different types of organization structures which have evolved over time. In response to complex, changing requirements. The continuum of structures range from centralization to decentralization, vertical to horizontal, mechanistic to organic and product to function. The predominant mode is decentralization with centralized control and a certain type of matrix in complex organizations. Each form has its own set of advantages and disadvantages. Compromises are possible in the context of organization's environment, technology, culture and aspects of human behavior.

Mechanistic	Organic
Individual specialization: Employees work Separately and specialize in one task	Joint Specialization: Employees work together and coordinate tasks
Simple integrating mechanisms: Hierarchy of authority well-defined	Complex integrating mechanisms: task forces and teams are primary integrating mechanism
Centralization: Decision-making kept as High as possible.	Decentralization: Authority to control vertical.
Organisation is a network of positions, Corresponding to tasks.	Organization is network of persons or teams.

Contingency Approach:

Contingency approaches challenge the view that there is "one best way". The style of change or the path of change will vary, depending upon the circumstances, including:

- the scale of the change
- the receptivity to change of organizational members
- the style of change management
- the time period
- the performance of the organization

Huy's Contingency Approach categorizes change into 4 ideal types:

- The commanding intervention ✦ Short-term and rapid
    - ✦ Senior executives
    - ✦ Downsizing, outsourcing, divesting
- The engineering intervention
    - ✦ Medium-term and relatively fast
    - ✦ Analysts
    - ✦ Changing work design and operational systems
- The teaching intervention

✦ Long-term and gradual

✦ Participative experiential learning, self-monitoring

✦ Democratic organizational practices

Contingency approaches remain less common than change management approaches.

Suggested reasons include

- Achieving "fit" may be difficult due to differing perceptions of the conditions in which the fit is sought

- Contingency approaches require greater analysis and decisions by managers: the prescriptiveness of change management models may be attractive to managers

- Contingency approaches focus on leadership style rather than a specific set of actions

- The use of different change styles at different times may raises questions in the minds of staff as to the credibility of senior management.

- There is a question about "what" is contingent to managing change

INDIAN EXPERIENCE IN O.D

Following issues are giving by the Indian experience for change and organizational development

✟ In traditional methods of managing change, there is no participation of those affected by it during the phases of diagnosing, action planning, action taking, evaluating and specifying learning. Also actions, if taken are rarely explained to the employees; data shared is minimal. All these factors lead to frustration and alienation among employees. Therefore, interventions should be chosen such that the approach goesbeyond superficial participation and attempts to tap employees' competencies for their greater O.D. is based on the human processes approach, focusing on interpersonal relationships during the course of interventions. Such an approach may not be feasible in the Indian context.

✟ There should be clarity with respect to the ultimate change goals and identification where the organization is headed for. The "pull" effect of future aspirations works much better than to "push" people through change. Also it is important to sustain the enthusiasm of those involved even after the excitement associated with initiation and accomplishment of some early wins.

✟ Another important theme concerns the role of leadership, articulating the visioning process & sharing the vision, establishing and articulating purpose: developing change

initiatives and programs to guide implementation: communicating with and listening to people, dealing with questions and frustrations; generating feelings of empowerment in organizational members during times of significant change.

✞ In India, the role of the government in regulating the activities of an organisation is considerable, particularly in the public sector and to some extent in the private sector as well. While initiating the any O.D. effort, the influencing role of the government cannot be ignored.

✞ In O.D. based change effort in the Indian context, it is sine qua non to take into consideration the prevailing cultural norms, attitudes, etc. and leverage the functional ones for making the change effort a success.

✞ An issue of concern primarily in Indian organizations is initiating through O.D., structure and processes particularly making functioning flexible and less bureaucratic, decentralizing, but at the same time strengthening accountability: developing a collaborative culture and reorienting people and roles to make them more adaptive.

✞ Change of any nature is highly likely to be an intensely political process. One needs to understand the power issues and ensure that the change process does not get dysfunctional caught up in political conflicts.

Challenge faced by organizational development in India at present

In India, managing change of any kind requires a great deal of perseverance and patience. The organization, may not always be changing in the desired pace and direction, but nevertheless, it is changing. O.D. practitioners should respect this and learn to observe and facilitate the process with appreciation & tolerance.

The O.D. practitioner should be mentally and emotionally prepared for problems he may encounter along the way. This requires a combination of creativity, patience productivity and motivational ability when the pace slackens.

The practitioner should also focus attention on the timing of interventions. The organisation may be most ready for unfreezing and implementing changes when it experiences the most difficult times.

The most crucial task that the practitioner needs to perform is that of a creating. A learning culture in the organization. This should be done by assisting the organizational

members reflect on its mindset, its consequences, learn its ways towards the new mindsent and this process has to closely facilitated.

- A very important aspect of the O.D. intervention that the practitioner needs to focus on is communication. The objectives of the O.D. intervention undertaken, the changes desired, the action plans formulated by discussion with the top management should all be clearly communicated across theorganization. Communication systems and information flow should be well established and transparent

- O.D. practitioners should bear in mind that the success of any intervention depends on several factors such as prevalent mindset, existing work identities, the kind of media and forum available for unfreezing actions and resources available and should estimate the time for change to take place the basis of these critical aspects.