

Unit - V* Management of Change *

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* Organizational Change *

Change in some way is necessary aspect of human life. One of the few things of real performance in this world is change. We see all sort of changes - change in nature, seasonal changes, change in man-made organisation. Change in biological beings and so on. Therefore, in dynamic society surrounding today's orgn. The question before the managers is not whether change will takes place or not. The relevant question is; how to cope up with inevitable barrage of changes that confront the orgn.

* Nature of Orgn Change :-

The change in orgn implies a new equilibrium b/w different components of the orgn - technology, structural arrangement, job design, and people. Thus the orgn change may have the following features.

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When change occurs in any part of orgn, it disturb the old equilibrium necessitating the development of new orgn. The type of new equilibrium depends on the degree of change and its impact on the orgn.

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Any change may affect the whole orgn; some part of the orgn may be affected more, other less; some parts are effected directly, others indirectly.

(3) Orgn Change is a continuous process. However, some changes which are of minor type, may be absorbed by existing equilibrium; others, which are major ones may require several change efforts.

However, the change in organisation does not occur purely on mechanical relationship. While managers are "Change Agent" want to bring changes in orgn, employees want to maintain a status quo. Through these phenomenon will be taken later. What is important at this point is that a change in any part affects the entire orgn and consequent changes are required in other parts.

* Factors in Organisational Change :-

Organisational Change may be grouped into two categories.

- (1) External factors
- (2) Internal factors.

1) External Factors:- Every orgn exists in some context; no orgn is an island in itself. Each must

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Continually interact with an organisation and individuals - the customers, suppliers, unions, shareholders, govt and many more. Each orgn has goals and responsibility related to others in environment. Thus, not only an orgn must deal with environment in conducting its affairs, but it must also give consideration to the goals of others as it establishes its goal and conducts its operation. Such changes may result into organisational changes like major functions, production process, labour management relations, nature of competition, economic constraints, organisational method etc.

Change in the orgn may be seen in the following context:-

(1) ~~if~~ Technological Changes: when there is a change in technology in the organisation's environment and other orgns adopt the new technology, the orgn under focus becomes less competitive and its competitive position weakens. Therefore it has to adopt new technology. When orgn adopts new technology its work structure is affected and a new equilibrium has to be established.

Changes in Marketing

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Condition 1:- Since every orgn

to the environment, Exports its output
 competition in the market. There may be
 two types of forces which may affect the
 competitive position in an orgn.

(i) Other orgns supplying the same product
 and buyers

(ii) Buyers who buying the product.

Any change in these forces may
 require suitable changes in the orgn;

Similarly, there may be changes in buyers
 in terms of their needs, liking-disliking
 and income disposed for a producer. These
 changes force the orgn to bring those products
 which meet buyers requirements.

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Social Changes :- Social changes reflect in
 terms of people's aspirations,
 their need and their way of working.
 Social changes have taken place because
 of several forces like level of education,
 Urbanization, feeling of autonomy an international
 impact due to new information sources.

These social changes affect the behaviour
 of people in the orgn. Therefor, it
 required to make adjustment in its
 working so that it matches the people.

Political And Legal Changes :- Political and legal factors broadly define the activities which an orgn can undertake and the methods which will be followed by it in accomplishing those activities. Any change in political and legal will affect the orgn.

2) Internal Factors :- Any change in orgn's internal factors may also necessitate change. Such change is required because of two reasons.

- (i) Change in managerial personnel.
- (ii) Deficiency in existing orgn practices.

(i) Change in Managerial Personnel :- Besides environmental change there is a change in managerial personnel. Old managers are replaced by new managers which is necessitated because of retirement, promotion, transfer or dismissal. Each new manager brings his new idea and way of working in orgn. The result is that an orgn has to change accordingly.

(ii) Deficiency in Existing Organisational Practices :- Sometimes, change is necessary because of deficiency in the present organisational

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arrangements and processes. These deficiencies may be in the form of unmanageable span of management, these deficiencies may be in the form of large no. of managerial levels, lack of co-ordination between various dep'tt., obstacles in communication, multiplicity of committee, lack of uniformity in policy decisions, lack of co-operation between staff and line, and so on.