

Organizational Change and Development

Concept of Change

- Change is making different which leads to fact and reality of the universe.
- It is generally resisted by both individual and organization.
- It is the alteration in work environment that affects all the members in the organization.
- The world is dynamic and every aspect of the society is changeable.
- If organizations adapt to change they ensure survival, if they don't they die.

Forces of organizational Change

- Internal forces of Change
 - Goal Changes
 - Structure Changes
 - Change in administration system
 - Change in owner/Board of directors (BOD)
- External forces of Change (PEST)
 - Political-Legal
 - Economic and Market forces of change
 - Socio-Cultural forces of change
 - Technological forces of change

Nature of organizational Change

- Reality
- Human and technical dimension
- Ensures survival or death
- Difficult and costly
- Revolutionary and evolutionary

Paradigm Shifts (Areas) of Organizational Change

- Change in structure(Involves making alternation in authority relations, job redesign, coordination mechanism)
- Change in technology(Introduction of new work process, new equipment and tools, new methods of production and distribution)
- Change in physical setting/business process (Layout of work place for convenience to work)
- Change in people/ behaviour(Change in employee attitudes, perception and behaviour)

Resistance to Change

- Resistance to change brings obstacles in change adaptation and progress.
- It is one of the important source of functional conflict.
- Almost all organizational change efforts face one or more forms of resistance to change.
- The resistance may be overt as well as covert (exposed and hidden).
- For analytical purpose there are two sources consisting of individual and organizational sources of resistance to change

- Individual sources of resistance to change
 - Habit
 - Human beings are creatures of habit
 - Old work habits create resistance
 - Security(Old employees only try to secure their job by not trying to adopt changes through modern tools)
 - Fear of unknown
 - Brings new knowledge and system in working procedures, limited knowledge, lack of creativity and initiation may fell fear of unknown if any change is occurred in work place)
 - Economic factors(Probability of loss of present economic gain, fear of reduction of responsibility and working hours minimizing remuneration
 - Selective information processing (Difference in perception, Employees select only those information which they want to hear, ignore information that challenge the world they have created)

Cont...

- Organizational sources of resistance to change
 - Limited focus of change(Subsystem of organization cant be changed without changing other subsystem, eg, computerization subsystem change without changing other related subsystem will prove ineffective)
 - Threat to expertise(one group of expertise may have fear of loss of job, demotion, less economic gain)
 - Threat to power allocation
 - Structural Inertia/ Norms (not desiring to change the existing structure of the organization, following the formal job description by specified rules and procedures for completion of given job)

Overcoming resistance to change

- Education and communication
- Participation
 - Involvement in planning and implementation of change reduce resistance
- Facilitation and support
 - Negotiation
 - Manipulation and cooptation
 - Coercion

– Negotiation

- Negotiations with powerful resisters of change through reward packages are ensured at workplace
- Manipulation and cooptation
- Leaders resisting change are given key role in change decision through membership in committee planning
- Coercion
- Final measure when other measures seem ineffective.
- Threat of quit or remain with change in organization results

Concept of Organizational Development

- Organizational Development is the process of ensuring organization's efficiency through suitable changes.
- It is sustainable practice of management.
- Its main motive is to improve overall operating efficiency of the organization.
- The OD paradigm values human and organizational growth, collaborative and participative process.
- For the purpose of organizational development, planned change should be the motto of developing overall efficiency of an organization through behavioural modification.

OD interventions/approches

- Individual level
 - Survey feedback(information of attitudes of employees about wage level, structure, hours of work, working conditions and relations with coworkers are collected and the results are supplied to the top executive teams)
 - Sensitivity training(method of changing behaviour through unstructured group interaction, developing the attitude of working with group members, changing the behaviour of accepting constructive criticism)
 - Counseling and coaching

- Group level intervention
 - Process Consultation (the process consultants meet the members of the department and work team and observe their interaction, problem identification skills and solving procedures)
 - Team building(Important to recognize work group's problems as early as possible so that solutions can be applied before problems can do any damage)
 - Inter-group development(avoiding confused lines of authority and maintain harmony, two or more than two interdependent groups should be properly coordinated for this)

- Organizational level Intervention
 - Goal setting and planning
 - Organizational restructuring
 - Technological changes
 - Quality of work life programmes