

Organizational Change

Concept

Though one thinks that organizations are enduring structures in a changing society. However, the truth is that organizations are changing all the time. Organizational change takes different forms.

Sometimes, organizations change quite radically yet retaining their name; the new organization may be nothing like the old one except in the name.

All this makes organizational change a complex and confusing phenomenon or a process. It is much more complex than normal human behaviour.

Change is a part of life and provides opportunity for growth. It is a conscious decision by the management of organization.

In any organization, we have people engaged in production, research, development, administration, etc. The organization in order to change should prepare a stock of the situation and should effect change in their attitude and style of functioning.

Organizational change refers to any alteration that occurs in total work environment. Organizational change is an important characteristic of most organizations. It is largely structural in nature. An enterprise can be changed in several ways. Its technology can be changed; its structure, its people and other elements can be changed. Organizational change calls for a change in the individual behavior of the employees. An organization must develop adaptability to change otherwise it will either be left behind or be swept away by the forces of change. Organizational change is inevitable in a progressive culture. Modern organizations are highly dynamic, versatile and adaptive to the multiplicity of changes.

Organizations survive, grow or decay depending upon the changing behavior of the employees. Most changes disturb the equilibrium of situation and environment in which the individuals or groups exist. If a change is harmful to the interests of individuals or groups, they will resist the change.

Organizational change can take many forms. It may involve a change in a company's structure, strategy, policies, procedures, technology, or culture. The change may be planned years in advance or may be forced on an organization because of a shift in the environment. Organizational change can be radical and swiftly alter the way an organization operates, or it may be incremental and slow. In any case, regardless of the type, change involves letting go of

the old ways in which work is done and adjusting to new ways. Therefore, fundamentally, it is a process that involves effective people management.

Nature of Organizational Change

The term change refers to an alteration in a system whether physical, biological, or social. Thus organizational change is the alteration of work environment in organization. It implies a new equilibrium between different components of the organization- technology, structural, arrangement, job design, and people. Thus organizational change may have following features:

- When change occurs in any part of the organization, it disturbs the old equilibrium necessitating the development of the new equilibrium. The type of new equilibrium depends on the degree of change and its impact on the organization.
- Any change may affect the whole organization; some parts of the organization may be affected more, others less; some parts are affected directly, others indirectly.
- Organizational change is a continuous process. However, some changes which are of minor type may be absorbed by the existing equilibrium; others, which are major ones, may require special change efforts.
- Change results from the pressure of both internal and external forces in the organization. It disturbs the existing equilibrium or status quo in the organization.
- Change will affect the various parts of the organization in varying rates of speed and degrees of significance.
- Changes may affect people, structure, technology and other elements of the organization.
- Change may be reactive or proactive. When change is brought about due to the pressure of external forces, it is called reactive change. Proactive change is initiated by the management on its own to increase organizational effectiveness.

Major Forces of Organizational Change

Organizational change is the change that takes place in an organization. These changes are aimed at flourishing of an organization. It refers to setting up new production methods, production new products, restructuring of organization, adoption of information technology and change from public to private ownership and vice-versa. All the forces, which initiate changes, can be broadly divided into two categories:

1) Internal Forces

2) External Forces

