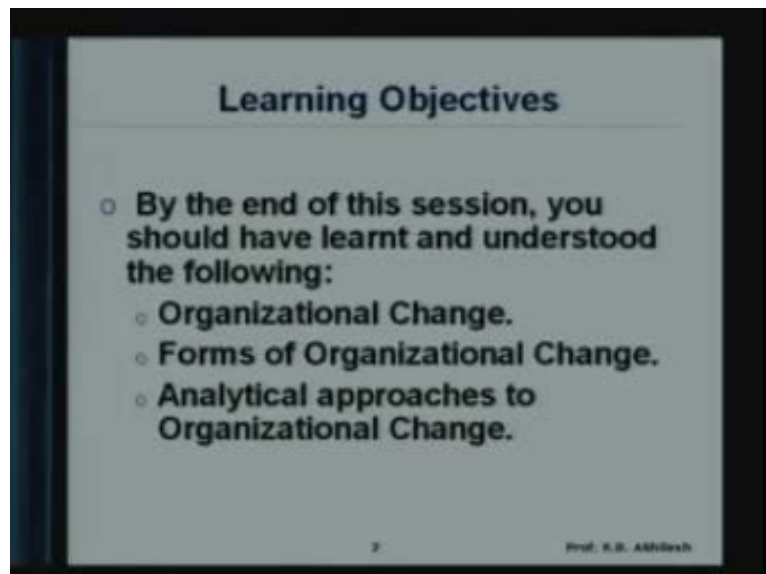


Concept of Management and Evolution of Management Thought
Prof. K. B. Akhilesh
Department of Management Studies
Indian Institute of Science, Bangalore

Lecture - 29
Organizational Development - II

Hello last time we do invert our discussion we focused on various definitions of organization development and then we were trying discuss how we can bring about change in the organization and organization development as a field of interest. We will continue our discussion on this but with a different focus today that we will focus on organizational change and explore different dimensions of organizational change, we will also look at the OD how it fits in in the context of performance management we have already discussed about the nature of performance appraisal and what kind of discussion should be happen between the boss and the subordinates in the organization but today we will take up organizational change performance management and then in this that specific context, how OD plays a crucial role, how organization development enables various change processes within the organization.

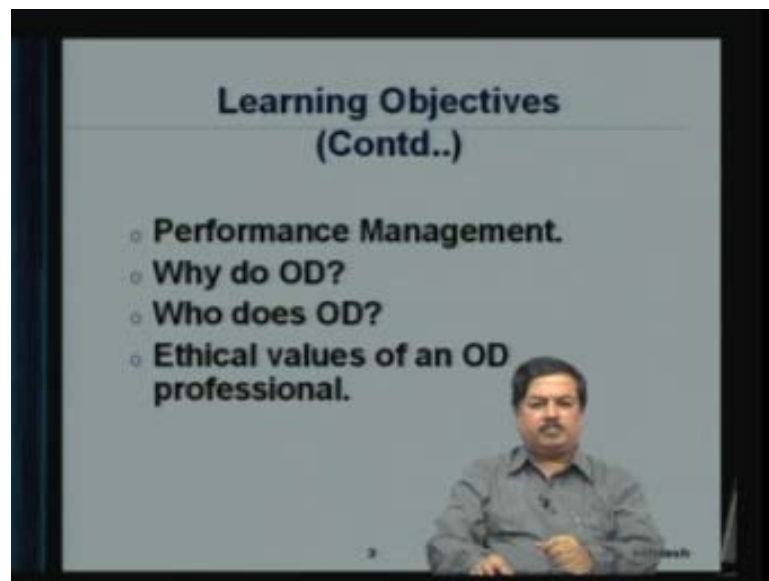
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So the focus of today's discussion is the following. So in the end of the session you should have learnt and understood the following organizational change, the forms of organizational

change, the analytical approaches to organizational change how people have approached and managed change then, then we will move on to this performance management, performance management in brief so that we can contextualize the organizational development there we will see why do we do organization development, who does organization development as well as are there any ethical values.

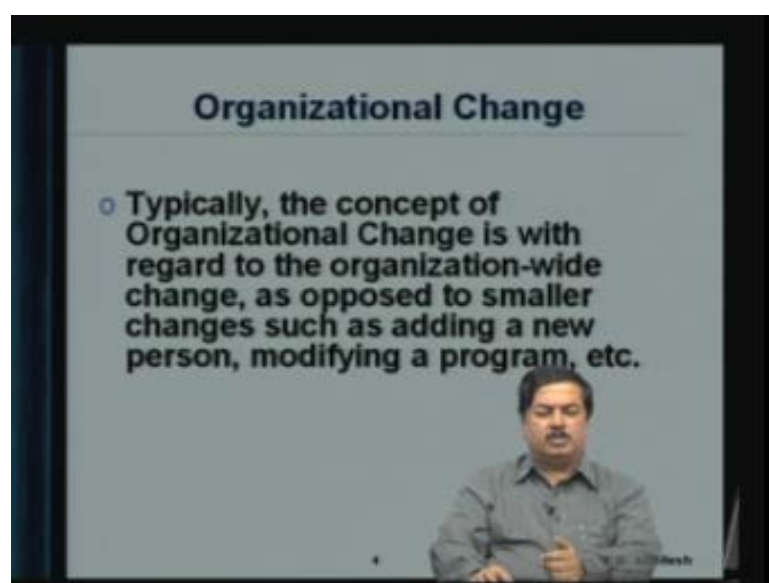
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**Learning Objectives
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- Performance Management.
- Why do OD?
- Who does OD?
- Ethical values of an OD professional.

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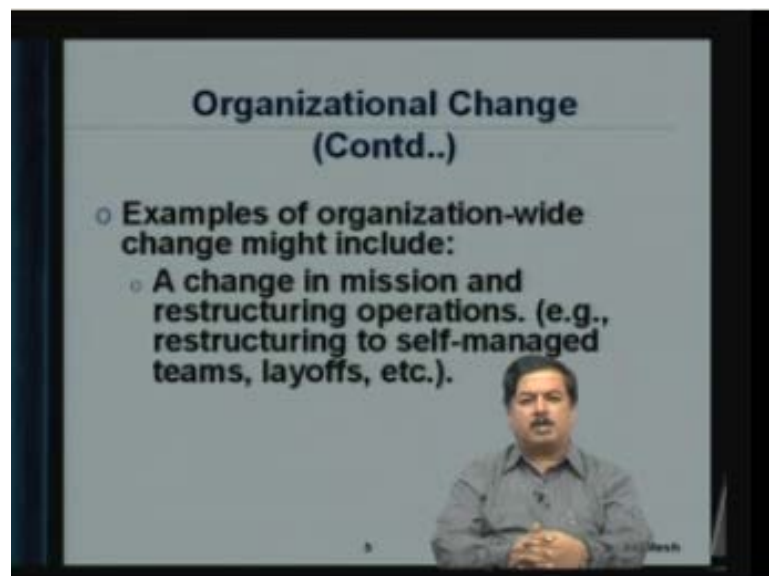
Organizational Change

- Typically, the concept of Organizational Change is with regard to the organization-wide change, as opposed to smaller changes such as adding a new person, modifying a program, etc.

So ethical values of an OD professional and we will try and see how it is an important discipline driven by the trained persons. So let us look at more about the organizational change, when you see organizational change the concept is with regard to the organization-wide change as opposed to very smaller changes what we are talking about like adding a new person or modifying a particular software to handle few things or these changing the of, of the office layout things like that. So we are not talking about changes which are under small in nature or in its dimension but we are talking about the organization-wide change.

So that means we are talking about organization as people structure processes and technology. So technology process structure and people as a whole we are trying to see and whenever we are trying to alter in a in a bigger way in its magnitude when we see the high then we are referring it to as more of an organizational change not those incremental and small kind of changes.

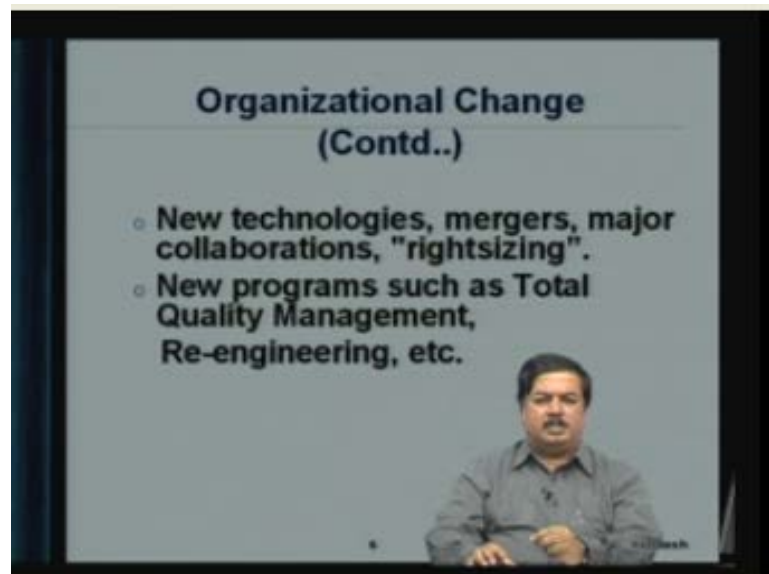
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So when we are seeing examples of organization-wide change it may include a change in mission and restructuring that is you know the where the organization tries to change its business model itself, we have talked about earlier or restructuring the operations. So that means you know when you are highly a product centric you move away from product centric and become more the process centric.

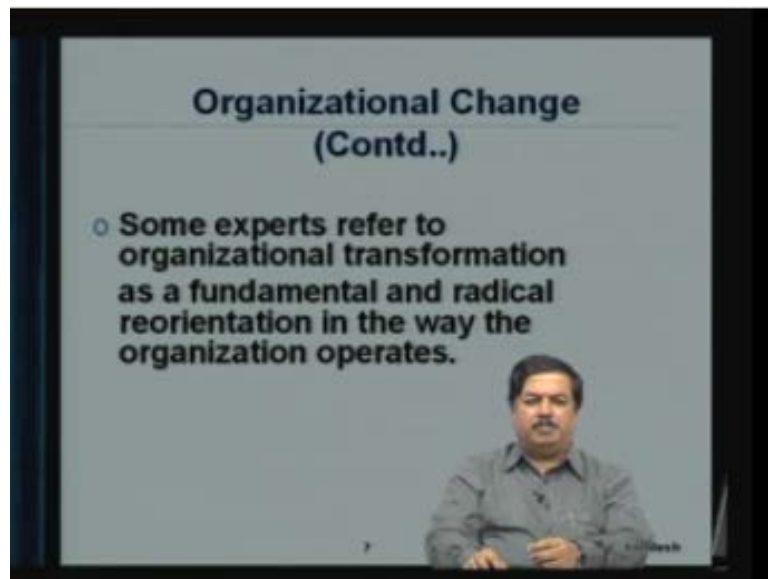
So the example of organization-wide change might include a change at the mission and restructuring of the operations like the restructuring to a kind of a self-management managed teams that means you create more empowerment in the organization or there are major layoffs in the organization where you stop manufacturing a particular model refocused on newer models etcetera.

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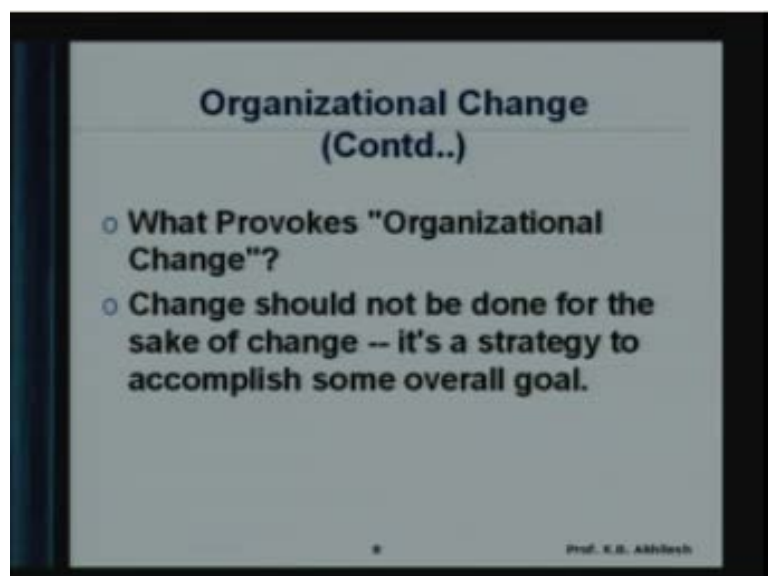
So that means the organization-wide change includes exploration into a new technologies or you are talking about mergers of that you take a company and acquire a company and then merge their culture into the other organization, major collaborations people also use the word rightsizing or downsizing or reduction of man power in any organization talks about the major organizational change and similarly, the new programs such as the total quality management what people use this word TQM or re-engineering that means you look at all the processes within the organization, examine which are those processes are contributing to the value and which are those processes are not contributing to the value that means what the customer would pay for and then remove all the non-value added activities. So the re-engineering quality management introducing set of new practices across the organization maybe about employee engagement processes or about the reward processes.

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So whatever you change across then we can see it as a kind of an organizational change and in fact the some experts go one step further when they refer this organizational change as a basic transformation or transformation of a fundamental and radical reorientation in the way the organization operates. So that means they redefine and customer and the customer focus, we know that the segmentation every organization goes to in terms of providing its services.

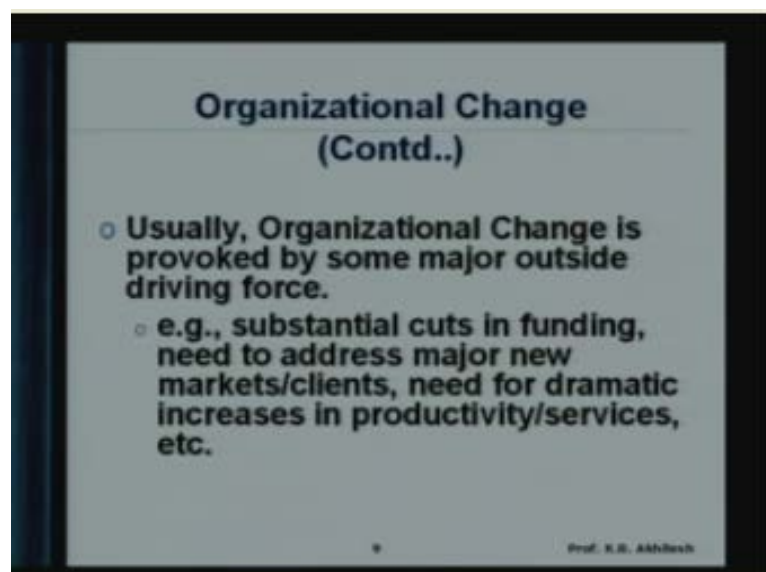
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So certainly it assumes that now they want to focus on the particular segment lastly you if you look at Air Deccan for example so the Air Deccan really segmented on the if with the wage they wanted to take this flying experience to the common man but if you think that at a different point of exploration they may change this focus and then they will move into high value customers. So the question is that such change in focus talks about or demands an organizational transformation that means the way they provide service the way they take care of the customers I think it is interesting to ask a question at this point of time what provokes organizational change, what determines or what drives, what are the trends which forces the organization to look at the way they are operating and they would like to prioritize to the future what they would like to do.

So it is in that sense one need to see change should not be done for the sake of change but it is a strategy to accomplish some overall goals. So that means the focus is not change persue but people do feel today that in order to create that flexibility required in the organization change should be perceived its own for its own value. So that means continuously people are moved into new, newer work a newer task and then and that is the way they would like to keep the organization always in a flex but we are talking about most of the organizations where change is not done for the for the sake of change but the it is goal directed, it is efficiency directed, it is performance driven and so the change and performance coexist and one need to evaluate how the changes brought about leading to some useful things.

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So let us look at some of the reasons so what are the kind of a driving forces. So usually organizational change is provoked by one or the many of these outside driving forces it could be a substantial cuts in funding for the university which depend substantially on the government support on subsidies and suddenly if the government we will not be able to support completely, we will support only 60 percent and you are supposed to earn the remaining part of the salary I think then an organization has to relook that university has to relook the way they have changed the fees, the way they have managed the resources and that would demand he ask much more student friendly policies customer center kind of an approaches or what we call a dialogue with the with the stakeholders and many of such things.

So that means the organization starts questioning the kind of assumptions they have made in the past and probably have a or they will do redefinition of this stated policies or would agree with whatever they have done in the past may continue with it. So it need to address major or you can talk about the major stakeholders, similarly the when organization has trying to rework on the markets and clients or existing clients dependence may be very high. So when an organization was depending on a particular client for about the 60 to 70 percent of the turnover and that your client customer is not doing, so well could mean that it would affect the health of the organization and then really have to see which are the newer markets and what are the new services you can provide.

So the another important thing is need for dramatic increases in productivity particularly, when competition is very high others are likely to give the services which are far more effective far more superior but also has a kind of a cost dimensions in which they may offer the services maybe half of your cost and that is the time where organization gets into the pressure where is that we need to trimmed on where is that we need to focus, what is that we need to do and things like that.

So when you look at the organizational change, so the things which are coming from the outside forces have substantial influence on the organization. So typically organization must undertake organization-wide change to evolve a different level in their life cycle that is from a going from a highly reactive, entrepreneurial, you know entrepreneurial kind of an organization to more stable and also kind of a planned development. So organization-wide change now we one has to see what kind of things were there in the past, what kind of things

are required to the future I think such understanding as we discussed in the last lecture becomes much more, much more relevant, another reason could be the transition to a new chief executive.

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**Organizational Change
(Contd..)**

- Typically, organizations must undertake organization-wide change to evolve to a different level in their life cycle.
- e.g., going from a highly reactive, entrepreneurial organization to more stable and planned development.

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**Organizational Change
(Contd..)**

- Transition to a new chief executive can provoke organization-wide change when his or her new and unique personality pervades the entire organization.

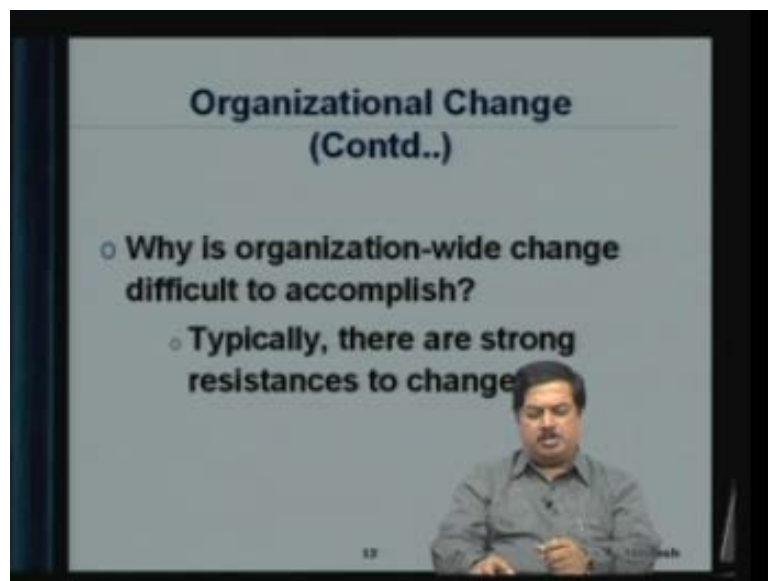
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So that means a new CEO has come, new leadership has come and again then it can provoke organizational-wide change. So that means his or her personality or the charisma or the style

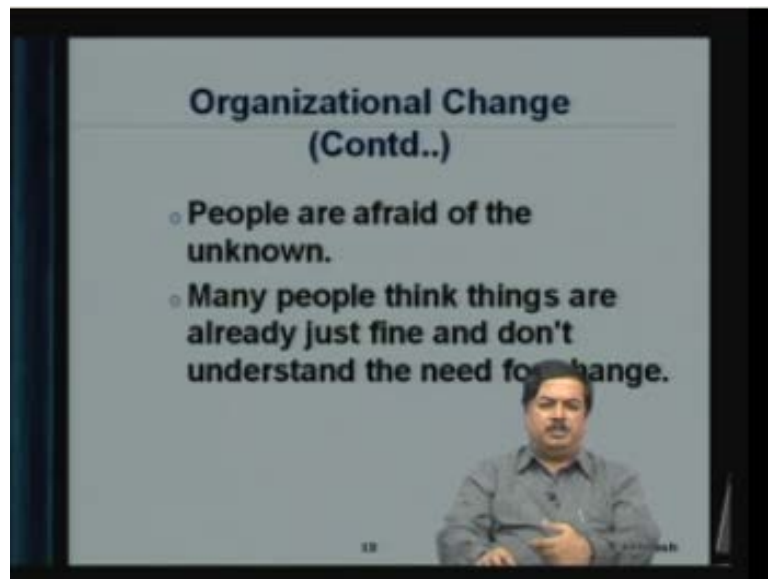
of functioning, influences, different levels, different functions, different activities in the organization and that is how the organizational readjustments are necessary at all levels. The key individuals key functions in the organization have to perceive the leadership and what the leadership wants and similarly, the kind of reorganization required at different levels to bring the required focus required speed or required quality of performance but the question is whether it would be changing from one level of working to the other level or adjusting to the leadership change or making reorganization in relation to the environmental demands all of this appears to be pretty easy, pretty simple and one would like to ask this question what is the problem but this organization-wide change the it is seen as very complex and the several studies indicate that almost 90 percent of these changes are not successful most of the time they are failures.

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So failure studies are not really recorded and communicated but most of the time only the success stories are shared. So always the question is what are the difficulty, what are the problem? So the question we are moving into is there is always strong resistance to change and as said of people as said of activities are initiated to bring about change will also see the kind of a corresponding resistance and one of the major reasons for resistance to change is people are afraid of the unknown.

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**Organizational Change
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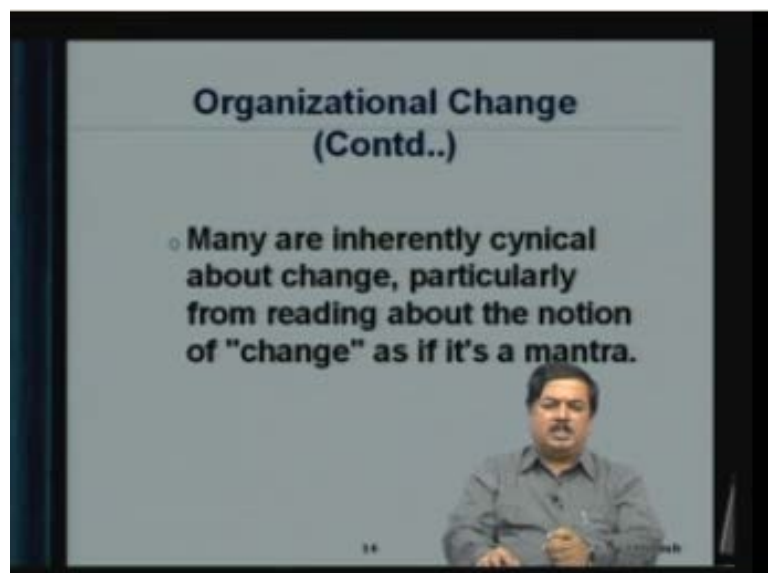
- People are afraid of the unknown.
- Many people think things are already just fine and don't understand the need for change.

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So what is that future would be, what is that in it for me into that future I think one of these or such of these questions if not answered properly by a management by the organizational processes normally people resist change and also the kind of attitudes people bring to the table that is many people think that things are already just fine, you know we are going fine life means yes, there are some ups and downs but really do not bother I think we will get through these clouds of the raining whatever.

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**Organizational Change
(Contd..)**

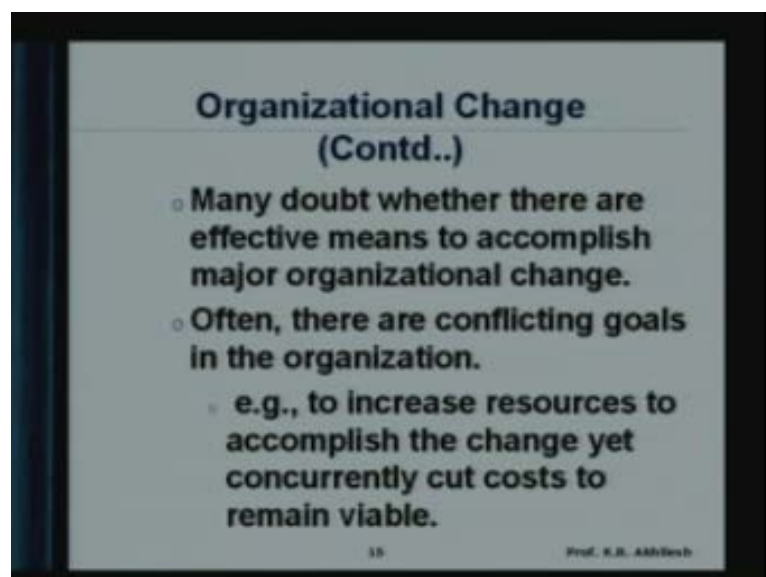
- Many are inherently cynical about change, particularly from reading about the notion of "change" as if it's a mantra.

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So the types of reaction is okay less postpone the action, so do not understand the need for change, they do not perceive what is happening outside the organization and then over a period of time quickly they become irrelevant. So people the way they perceive the change the way they think about the change and the way they redefine the change change dimensions to their own personal effort of changing the style of functioning also has to be understood otherwise, you will see the people are not really liked to the change and change initiatives many are inherently you know what people call it as cynical about the change particularly, from reading about the notion of change as if it is a mantra because too many people talk about change. So they think that nothing is going to happen nothing is going to happen, nothing is going to affect their work nothing is going to replace them.

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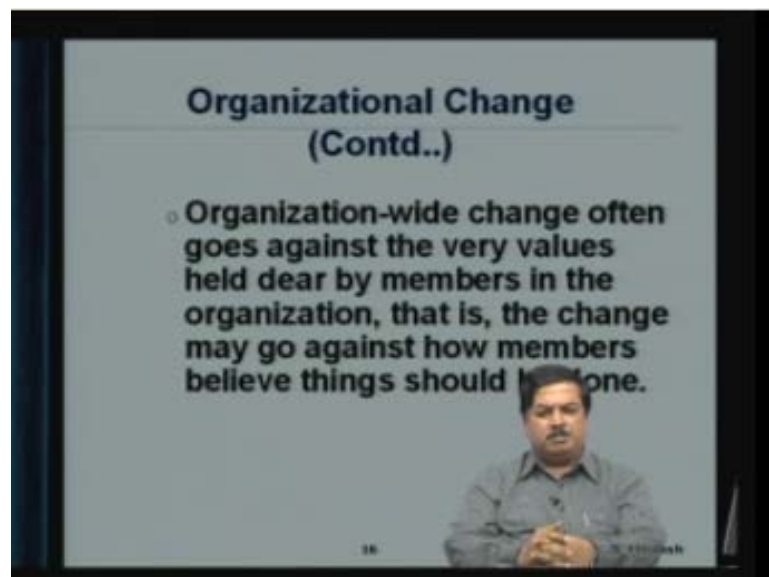


So such perceptions also influence that why people do not bother about change or they do not get involved in the change process and there are other issue is many doubt whether there are effective means to accomplish major organizational change. So the statements like illness is better than cure, so nothing really to be done because of these kinds of changes. So, often there are conflicting goals in the also in the organization. So that is when people have to see that they have to increase resources to accomplish the change at the same time they have to cut cost to remain viable.

So the organizational survival, organizational continuity on the one hand and then doing something new to generate new resources on the other. So that is the time where large and complex organizations have to make decisions but the since the issue have made so conflicting they tend to say okay let us continue as is what people call it as status quo, the status quo kind of an approach comes into the system and system of practices. So what is important is to see that when conflicting goals are there it is extremely important to prioritize and help the organization to move forward and bring about necessary changes in people and people attitudes or introduction of newer technologies or changing the structure which empower certain people.

So that they can make more appropriate decisions or change the processes of the organization where people get involved people get communicate and they can get engaged better with the organizational requirements and the goals. So it is important to see how the people are perceiving an organizational-wide change often goes against a very values held by the dear you know the held dear by the members in the organization.

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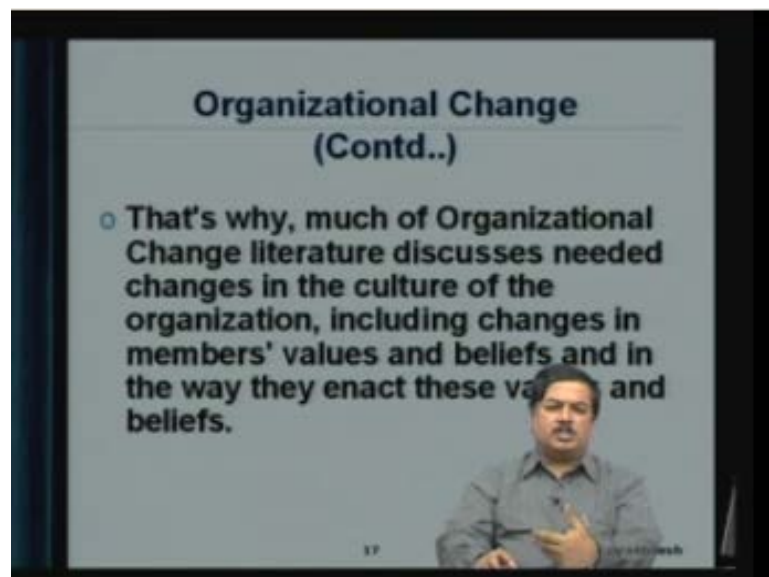


So that means in the past they have all worked as a team and we have maybe in the training programs they are told team and team members and the relationships are important but then when the reorganization has to happen people have to move to different areas and the team has to be broken and maybe sometimes some people have to be thrown out by the same

values whatever was start they it has become a part of the culture. Now comes in the way of change management. So that this may go against how members believe things should be done, so that the question is that this is how we have done in the past and people articulate that as a value proposition and they do not want to go against the kind of values they held and then it is not easy to adjust, it could be about the payment or the fees or imagine that university is working in the night shift they are working in 3 shifts.

So suddenly it becomes a kind of a new paradigm and it goes against the way that has been handled in the in the past. So when organizations have to see some of these major changes in their approaches. So it is not only that the they perceive the need for change but within the organization the strong do's and don'ts, how certain things to be handled how certain things should not be handled gets defined and those definitions are supported by the long practices not only within the organization but also whatever others have done and then the it becomes a problem and it comes as a kind of a as a resistance to change.

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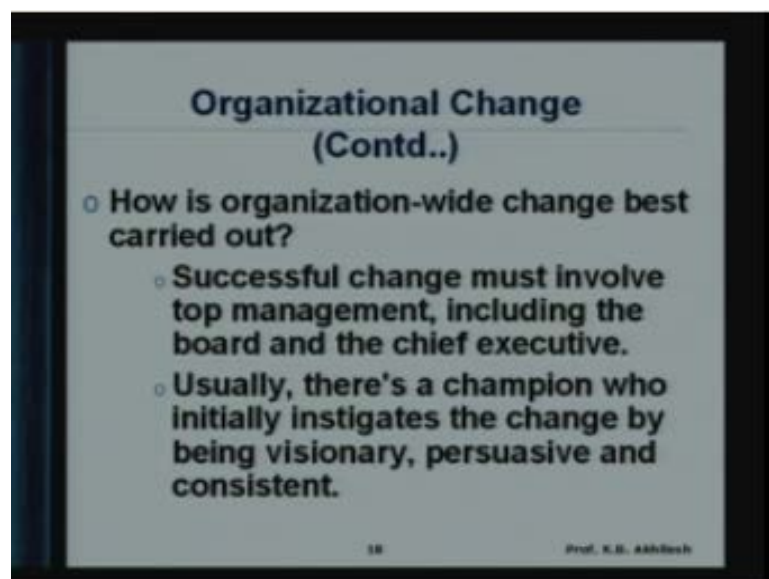


So it is the this is how we see the things could be at the individual level or it could be group level or it could be organizational as a whole gets into the issues of resistance to change. So much of organizational change literature discusses so needed changes in the culture of the organization. So that means you need to understand what is the word culture how do they see change as and are they comfortable in accepting newer activities, are they able to push new

activities to meet the organizational goals or are they careful. So question is that what are their values, what are their beliefs, what are their attitudes.

So the attitudes values and believes together can be defined as organizational culture. So the way they act these values and believes and how do they perceive the change as a threat or as an opportunity or how do they perceive the organization as should be moving towards stable, continuity kind of a paradigm or radical experimental kind of a paradigm.

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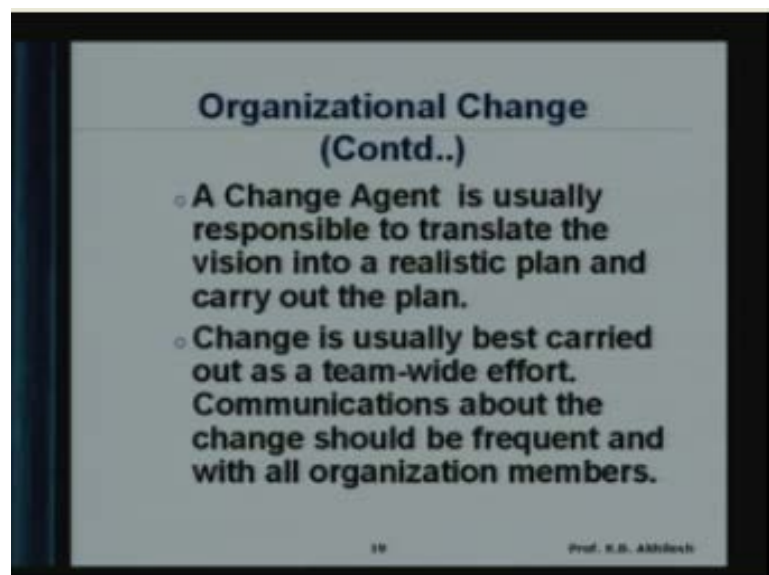
So such approaches are necessary to understand, so that you one can see what are the kind of resistance and what needs to be done. So the next question we really we need to ask is how is organization-wide change best carried out. I think the successful change must involve top management today, several studies have indicated that unless the top management involves the top management understands the top management commits itself to the change and change process then you then only the change processes would be effective.

So the successful change must involve top management and there is a good understanding and appreciation of the initiatives and the efforts. So there is also next step if you see there is a champion the champion who initially instigates the change by being visionary by brining the kind of resources by telling the organization about the newer opportunities or explaining

the kind of processes or difficulties what is happening in the organization and is persuasive and consistent.

So what we see is the change demands the kind of leadership within the organization one that the top management level where they are prone towards understanding the change as well as thinking at changes are always important and necessary, on the other side is that you also require one product champion who is visionary, who can see the future and then he has excellent communication skills where he can take the other people along giving them a positive view of the future through persuasive communication skills and he is consistent where people have that basic trust, basic understanding of the person.

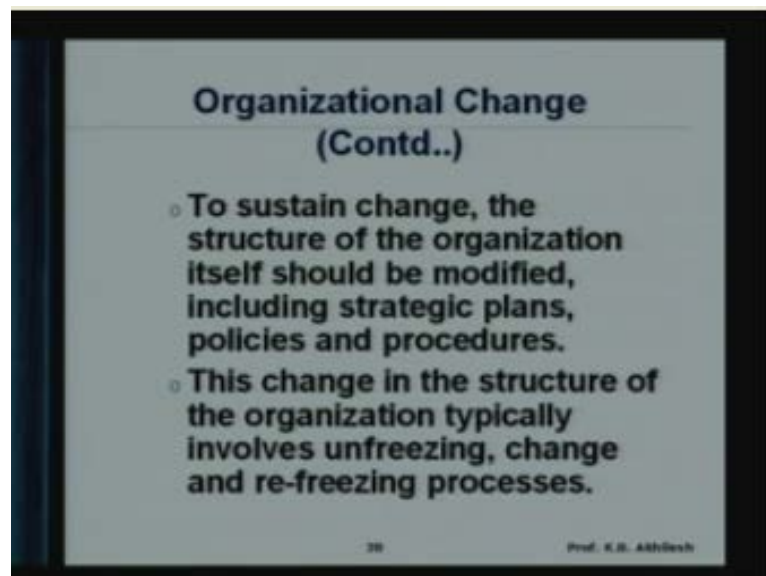
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So we can also think about the change agent and the change agent is usually responsible to translate the vision into realistic plan and carryout the plan. So that means organizational top leadership and the product champion they define that we would like this organization to adopt then what people call as a world class manufacturing practices. So that is a wish statement then that is a statement based on the vision based on the experiences whatever they have seen in other organization and now the change agent has to take those expectations but then translate this into a communication plan an involvement plan may be a demonstration plan or a kind of a roll outs. So that others in the organization understand, appreciate they get educated they also get permitted.

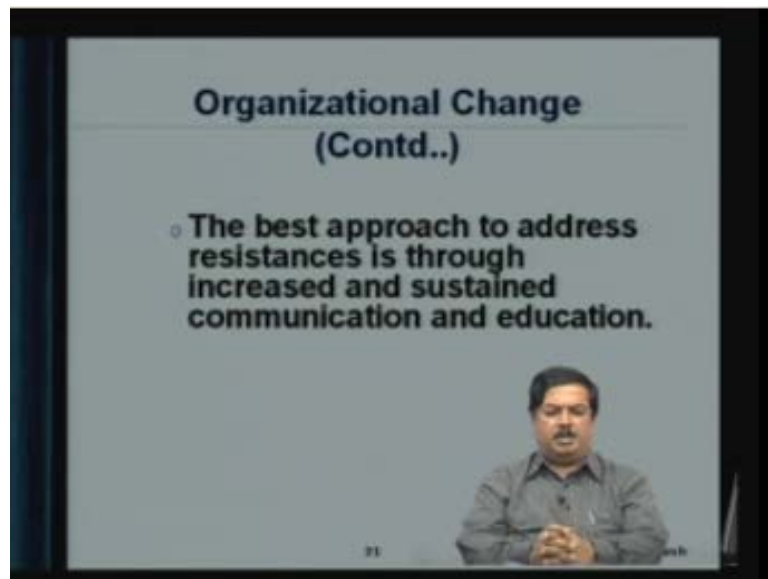
So the change is usually best carried out as a team-wide effort, it is important that the set of intact people get involved and then communications about the change should be frequent and with all organizational members. So in different ways the need for change must be communicated, people also must have a chance to understand and express their own problems and difficulties. To sustain change the structure of the organization itself should be modified, so including some kinds of strategic plans the policies and the procedures.

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So the structure of the organization has to give a kind of an understanding of for the people about why are we talking about change. So what people talking about the unfreezing, in an unfreezing situation lot of comfort is given to the people much more open into discussions and generating that kind of an alternatives, creating that kind of a required mental models and then an actual change and then the third step is called the re-freezing processes, the unfreezing change and re-freezing is one of the classical models of the change management the Kurt Lewin when he talked about these these steps then you know. Now it is so widely used even the concept came in in 40's and 50's and today, it is an important way of understanding the change process as well as implementing the change processes at different levels.

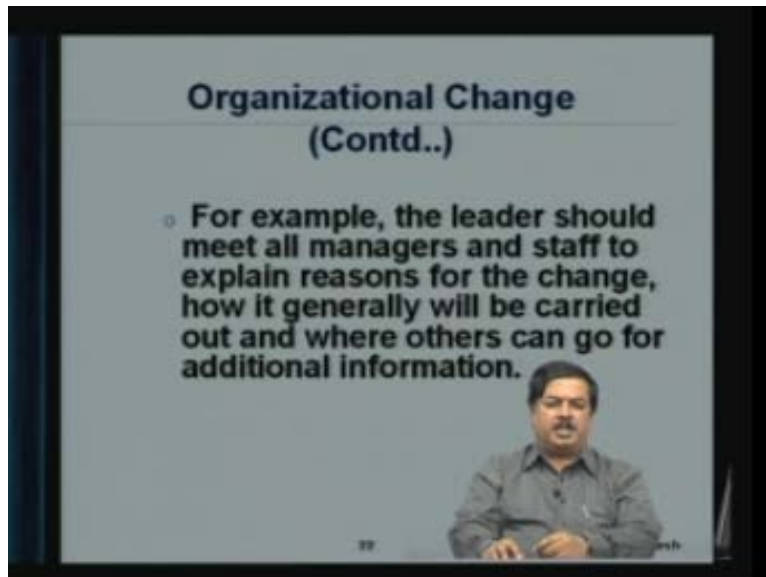
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So the best approach to address resistance is through increased and sustained communication and education, there is no other method. So education communication and participation help together to reduce the kind of resistance which can be coming at the psychological level or at the interpersonal level or at the group level or may be organization as a whole and building that kind of a required collaboration building that kind of a trust and the commitment of the top management in seeing the results of the change initiative would always help in managing the change and the resistance to change at different levels.

So how one could do there could be many examples but the leader should meet all the managers and the staffs to explain the reasons for the change I think that is the kind of a starting point. So the top leadership in some situations sometimes the important team managers at different levels they need to read and explain the reasons for the change and also one need to say how it would generally will be carried out in a systematic way and then then in case if somebody wants more information, in case somebody wants to talk about it what is that they can do. So you can you also create a kind of a communication channel open for this.

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**Organizational Change
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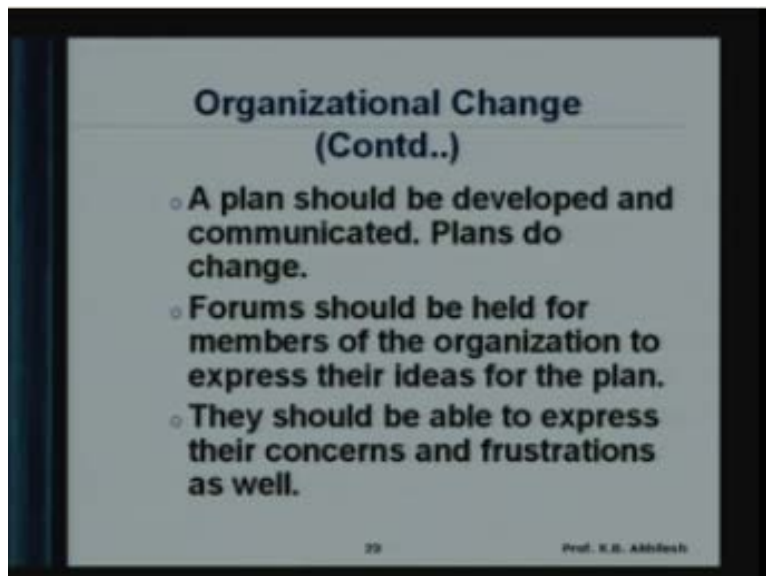
- For example, the leader should meet all managers and staff to explain reasons for the change, how it generally will be carried out and where others can go for additional information.

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Prof. K.S. Abhishek

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**Organizational Change
(Contd..)**

- A plan should be developed and communicated. Plans do change.
- Forums should be held for members of the organization to express their ideas for the plan.
- They should be able to express their concerns and frustrations as well.

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Prof. K.S. Abhishek

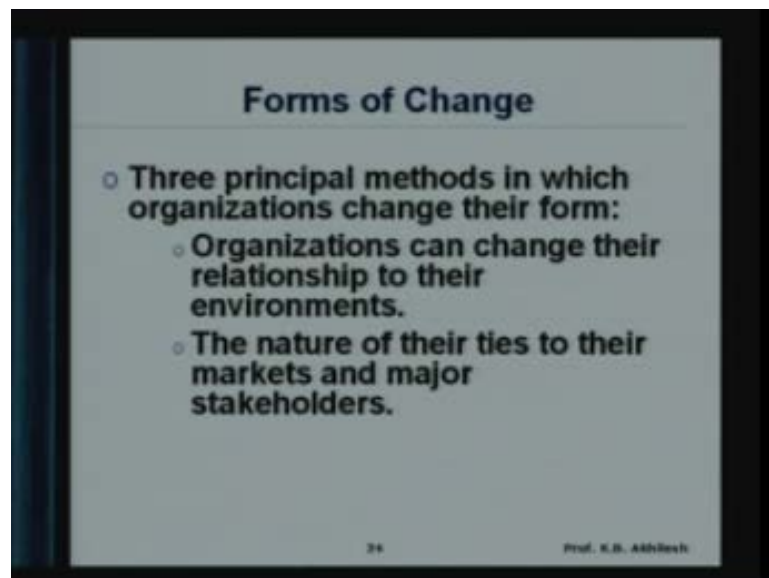
A video frame showing a slide with three bullet points. The slide title is 'Organizational Change (Contd..)' and the points discuss plan development, forums, and expressing concerns.

So plan should be developed and communicated. So in other words very clearly a step-by-step processes need to be need to be stated and then one can always change but then it has to be communicated at all levels sometimes it is extremely important to create participative forums participative forum should be held for members of the organization. So that they can express their own ideas their own perceptions their own difficulties of implementation about

the plan. So they should also be able to express their concerns and frustrations as well they may ask why should we do it this now have you not have you not spent some money.

So what happens to the previous investments and previous approaches and if they found certain things of not worked in the past. So they would like to explore those blocks, those challenges what they are faced in the in the previous efforts or the kind of negative use if they have about the changing initiative itself and they they have some experiences of past where they were frustrated. So such things they must be able to state it, they must be able to discuss those things openly, so that they get proper answers.

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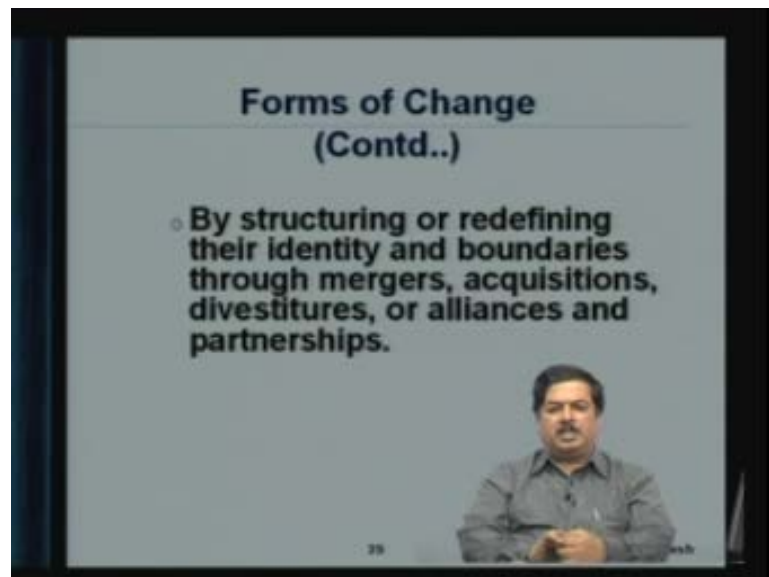


So the question is the principal methods in which the organization change their form if you what we are saying is organization can change the relationship to their environments. In other words redefining the environmental opportunity to position themselves to what is happening. In other words when many customers are there organization may redefined that one plus customer has most important and then create a division of activities towards that and maybe the remaining ones focused on the all others.

So they can see and understand the kind of pressures coming from one or more of the customers or they can also see what we use this word this one or more means homogeneous versus heterogeneous and also they can relate the nature of change which is coming. In other

words they are trying to see the rate of change is very fast where people are continuously demanding newer technologies. So the markets and major stakeholders analysis always makes to organization to redefine.

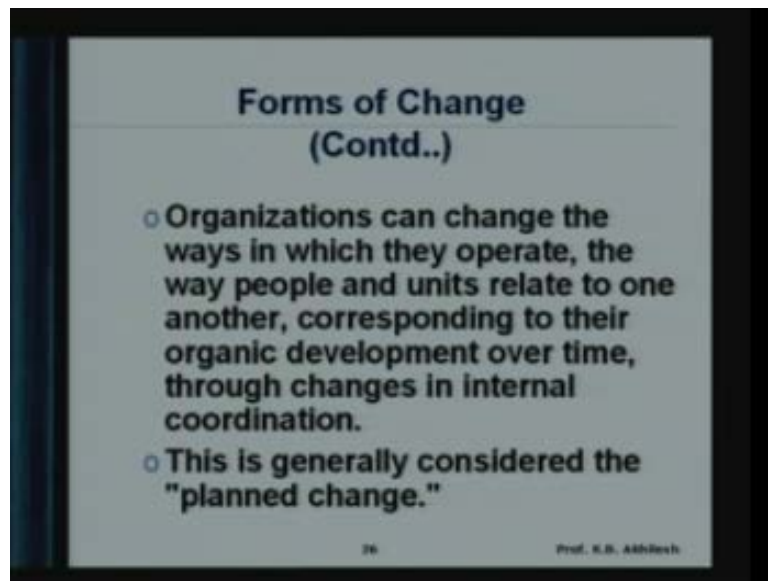
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So the so by structuring or redefining what we are trying to do is to see the identity and boundaries through which the organization responds. So then the merges acquisition, investments, alliances and partnerships all become relevant. So we have heard these word cartels you know in some industry the cartels are necessary. So that they create entry barriers to the new people example the commercialization of drugs and drug developments always seen with respect to this kind of a cartels and similarly, the oil prices oil prices are controlled by the some of the significant players.

So the question is that organizations do redefine, organization creates its own set of operational procedures and practices or create higher standardization. So that the they are protected and also they deal with the kind of changes whatever is coming in this environment, organizations can change the ways in which they operate the way the people and units relate to one another. So that means within the system the reporting relationship can be altered, the way the people respond to that can be altered because and see if they are empowered if they have not enough delegation of powers. So that means you know the they will not be able to relate, so that you empower them so that they can respond better.

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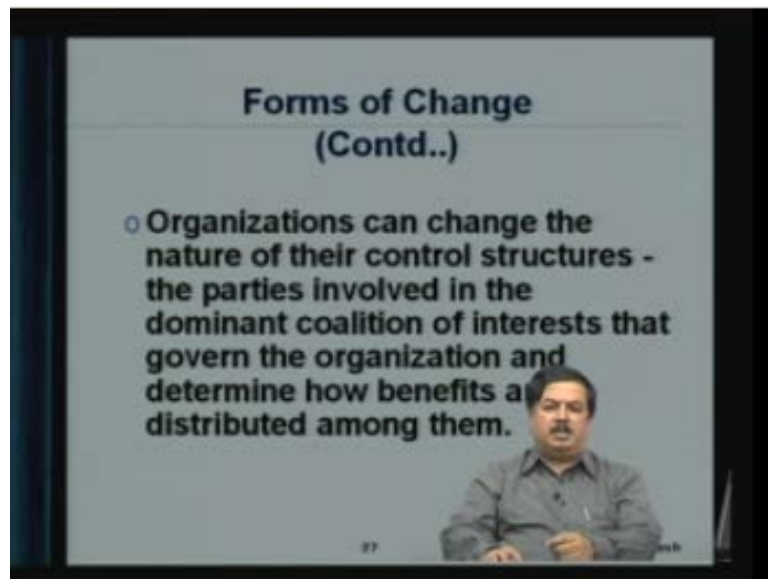


So corresponding to their organic development over a period of time one would bring this changes in the internal coordination. So as one can always see the age and size of the organization, initial changes that is if you see all people are moving with a very entrepreneurial highly risk taking mode but soon they have to redefine who does what, who is responsible for what and kind of a thing but then you know they have to elaborate those structures in terms of the reporting relationships, definition of powers and things like that but then you require some integrating kind of a mechanism in the third and the fourth and the fifth stage if you see the organizational activities, the functions get much more specialized more divisionalized and things like that.

So the question is always the organic development means we are talking about on the x axis the age of the organization and on the y axis is the size of the organization. So as we were plotting this agent size we do require continuous changes in the internal mechanisms, internal methods of coordination and whenever you are making these kinds of changes meeting the expectations of the people and the requirements of the activities and newer activities and the coordination of such activities then you are referring these things to as a planned change.

So the planned change is one which is always evolving and readjusting the organizational priorities and the practices and similarly, the organization can change the nature of their control structures. So that means the parties involved in the dominant coalition of interest that govern the organization and also determine how benefits are distributed amongst them.

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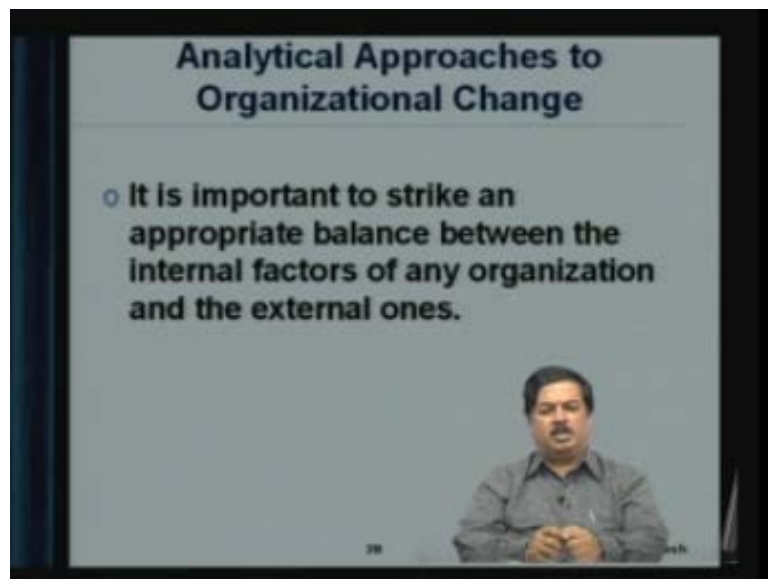


**Forms of Change
(Contd..)**

- **Organizations can change the nature of their control structures - the parties involved in the dominant coalition of interests that govern the organization and determine how benefits are distributed among them.**

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**Analytical Approaches to
Organizational Change**

- **It is important to strike an appropriate balance between the internal factors of any organization and the external ones.**

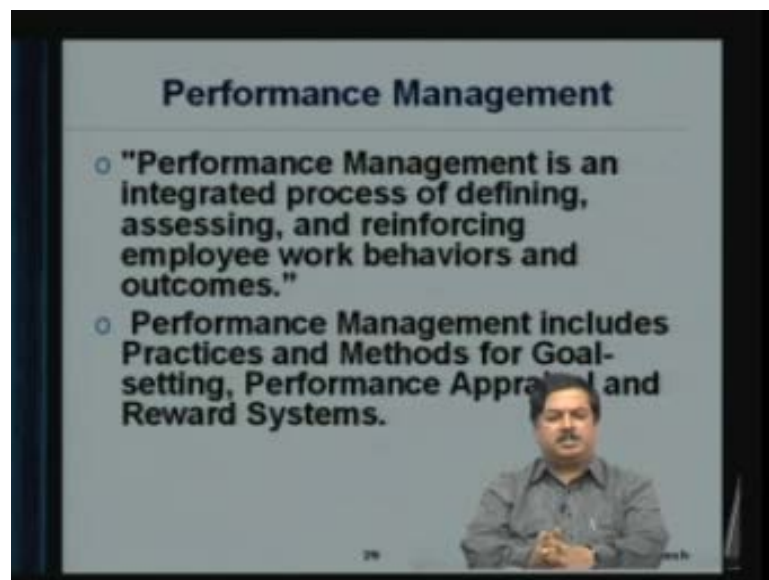
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So that means we are looking at different functions sales production marketing so the question is these are all the kind of a major groupings. So how these groupings are there, how it could be regrouped, so that the who is leading the organization also can be can be identified. So it is important to strike an appropriate balance between the internal factors of any organization and also the they relating to these internal pressures internal aspirations to

the kinds of things what is happening the outside in terms of the forces which are driving the change.

So once they these two things are mapped properly and that is how we are talking about the analytical approaches. So that means one need to see the kind of relationship, the kind of conflict, the kind of coordination failures, the kind of management of interdependencies within the organization and also look at and map the organizational environment as heterogeneous versus the homogeneous and also the in terms of the time rate of change as the static or the dynamic situations and then take all these into together then map the environmental uncertainty, map environmental complexity and also look at the internal capacities, internal attitudes, internal competencies and brining these two together would always sustain the work of the organization. In this context one need to re look at the performance management.

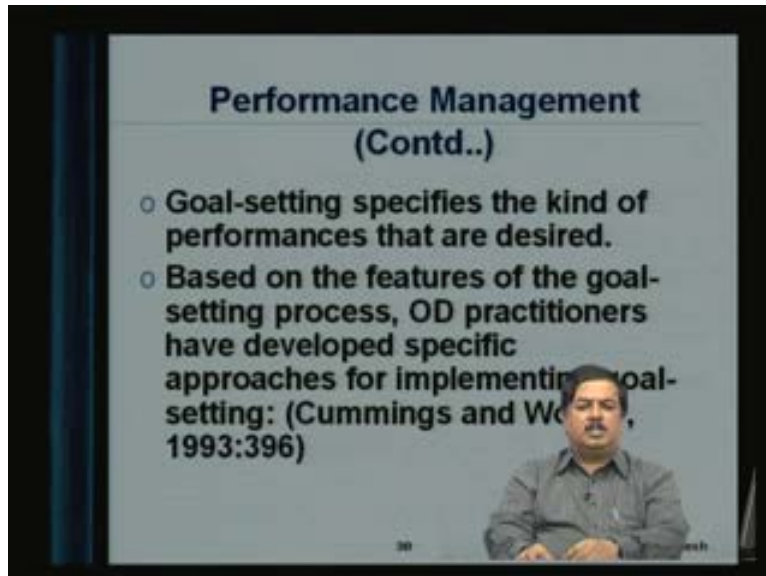
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So that means when we are talking about organizational change and performance management. So the performance management we are talking about here is to introduce such practices such processes where it is, it is linked to the outcomes, it is linked to the deliverables and as well as it is creating that kind of a required aspirations and the people does look for newer opportunities. So it is an integrated process of defining, assessing and

reinforcing employees work behavior and the work behavior towards needed changes as well as the outcomes.

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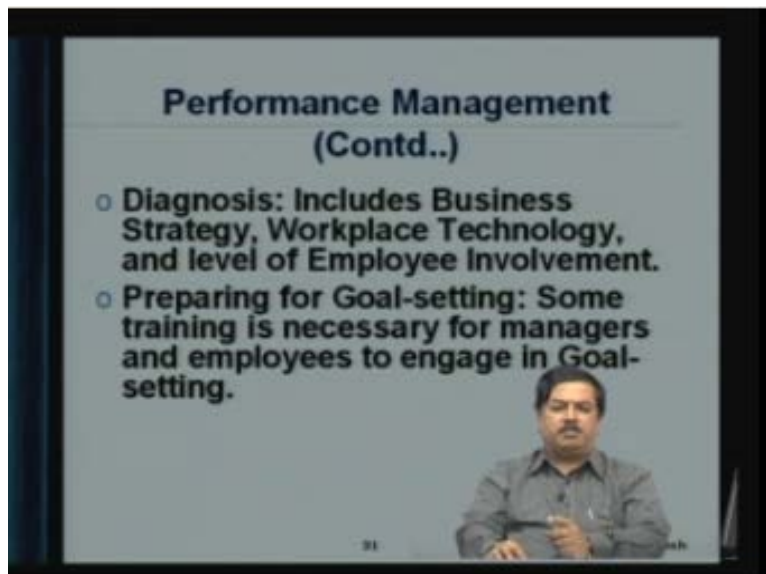
**Performance Management
(Contd..)**

- **Goal-setting specifies the kind of performances that are desired.**
- **Based on the features of the goal-setting process, OD practitioners have developed specific approaches for implementing goal-setting: (Cummings and Worley, 1993:396)**

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**Performance Management
(Contd..)**

- **Diagnosis: Includes Business Strategy, Workplace Technology, and level of Employee Involvement.**
- **Preparing for Goal-setting: Some training is necessary for managers and employees to engage in Goal-setting.**

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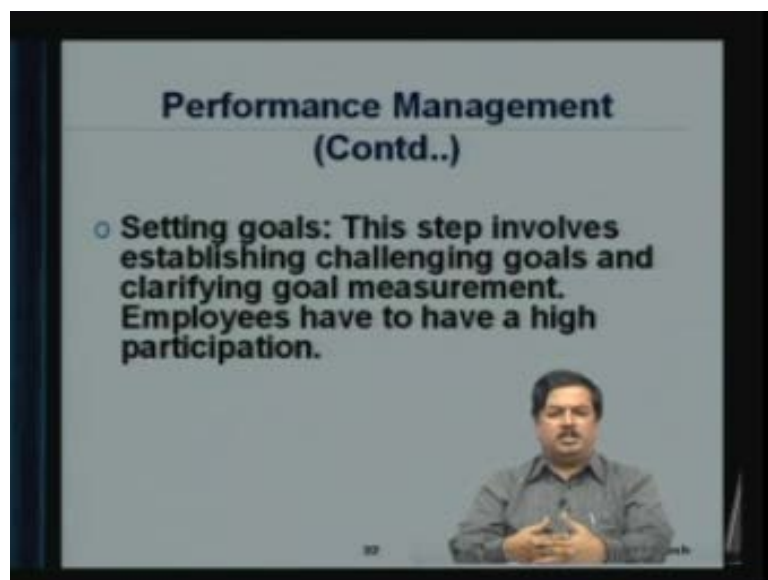
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So the performance management includes we are talking about basically the goal setting, appraisal as well as the reward systems we have talked about this in the performance appraisal processes but what is we are saying here is linking this needed changes and then

also the creating that kind of a reward systems where people see it as and as an opportunity but not as a kind of a threat.

So we will have to educate some of these concepts so we are talking about the goal setting. So the goal setting specifies a kind of performance that are desired, so that mean the organization would like to talk about yes we need to have a newer service standards where people respond to the calls of the customer, people respond to or attend to the customer complaints. So there is a kind of a time frame within which they have to do these things or based on the features of the goal setting process, one can also talk about what is extract you know, what is important in terms of the methodologies of implementing these things, see they are participative or it group wise or the individual wise goal setting processes. So similarly, the one need to do the diagnosis which includes the business strategy what are the kind of a business models and business alternatives and the way the work place technologies are provided. So if need for newer technologies and also the level of employee motivation involvement and engagement.

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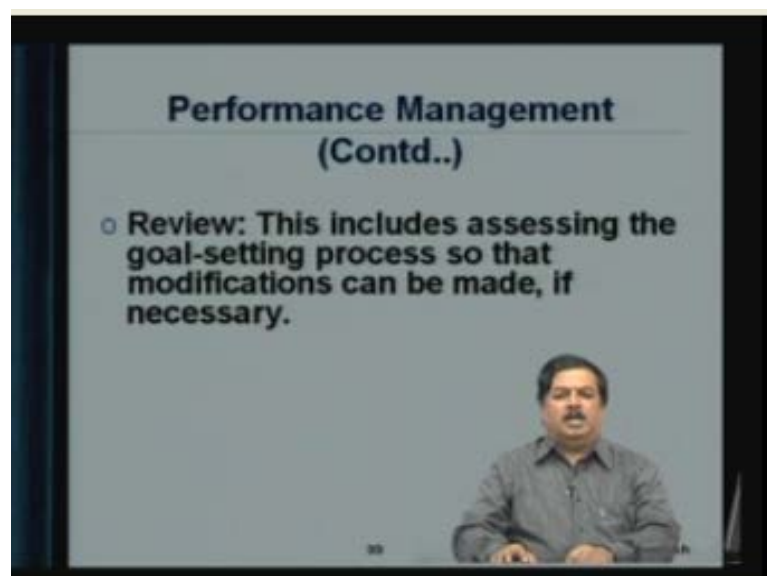
So that means in performance management we are focusing on all the elements organization and its environment, organization and its people and organization people and performance and then seeing the technologies structures strategy as a part of this whole system then

preparing for goal-setting, you know the I think sometimes you have to train people the training is extremely necessary for managers and employees to engage in in goal setting.

So that mean they must be able to see what are the advantages of participating goal-setting they must understand how communication is extremely important where people understand what are the what how to set the challenging and the meaningful goals and the in the performance management, goal setting becomes an important step, this step involves establishing the challenging goals what people also call it as the stretch goals and clarifying how the goals are going to be measured and what is important for the individuals to understand the means and the also the ends and how it is going to be valued and also the employees have to have a very high participation in goal setting.

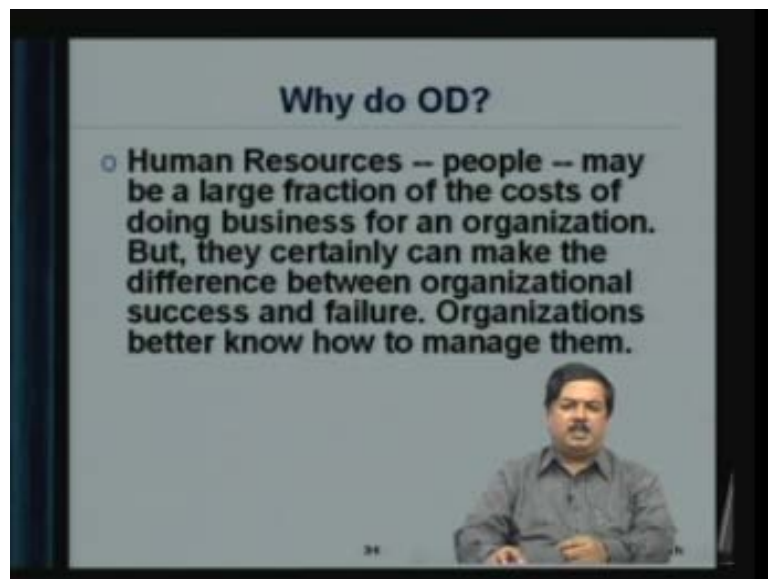
So that the involvement, the engagement what be the words we have used means systematically the clarify, the kind of efforts required and they also understand the kind of complexities involved, they also see the need for asking for resources both in terms of the technology and in terms of the capacity to reach those set goals the reviews becomes extremely important so this include assessing the goal-setting process itself and also the modifications required and then continuously brining that kind of a deal or discipline of refocusing or refocusing their efforts correcting the required attitudes etcetera.

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So as we have seen the review and the goal setting process one also have to see the kind of human resources and that is where we are revisiting that organization development and as we did this the changes are there before the organization then restructuring is there within the organization to respond and then the need for managing changes at all levels and the required resistance, so one need to see how to do this performance management in the overall context. I think that is why the OD organization development becomes much more relevant.

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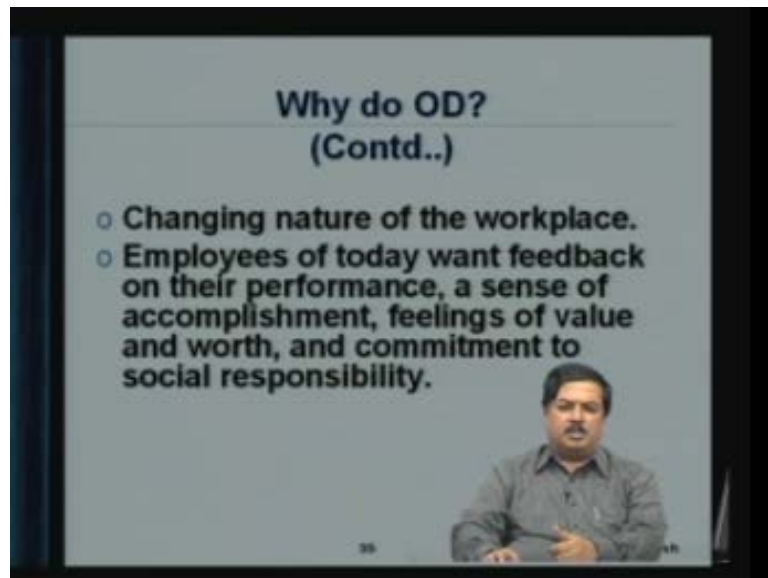


So when you assume this human resources people it can be a large fraction of the cost of doing business for any organization which we have recognized already but the question is that they certainly they can make the difference but how and how do you make sure that there is more of organizational success and less of organizational failure and that is how you one need to see how to manage these changes, how to bring about changes, so that the success is most or more assured than the failure.

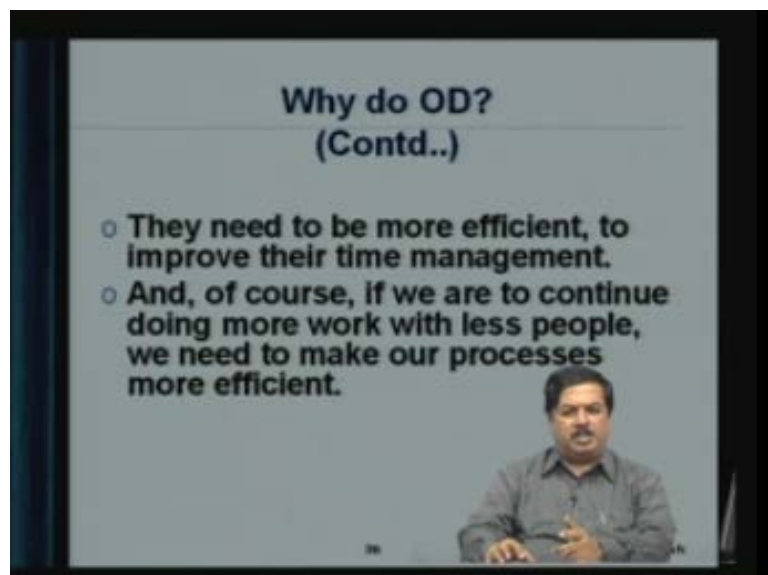
So that means the one need to receive the changing in the nature of the workplace and the understanding the way the kind of aspirations coming in the workplace and why do people look for new opportunities or why do they resist the change and things like that. So employees of today if you see very clearly they would like to have a feedback they have the feedback on the performance, they also would like to have a kind of a feeling of sense of accomplishment, they also would like to see that they are considered as important individuals

not outliers feeling of value and worth and also they are committed their commitment to the social responsibility.

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So that mean the kind of overall concern they have about themselves to the society has to meet with the organizational activities, organizational task, organizational deliverables. So if someone feels strongly that organization is not environmental friendly or they are not doing

that kind of required green technologies. So the responses could be different the questioning the employees of today they think little beyond and then one need to understand what is that to be to be done. So they need to be more efficient to improve their time management in other words as competitive pressure builds up you cannot expect only to drop from their physical energies.

So that means they have to give their intellectual best, so that means they have to manage their time, they have to schedule the task and they have to be doing many things which goes beyond the normal call of the duty and of course, if you are to continue doing the more work with less people. So then we need to make processes more efficient, so all the organizations are using this word today the less is more what the GE, the General Electric, the CEO Jack Welch made that kind of a statement so the less is more, so that means you know we are talking about less people and the lesser activities but most efficient processes and focusing also the best of the best practices and delivering the value to the customers.

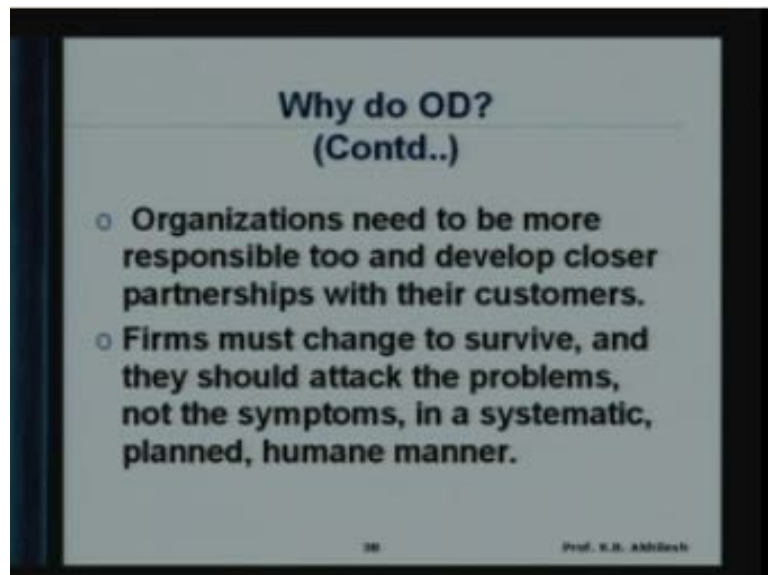
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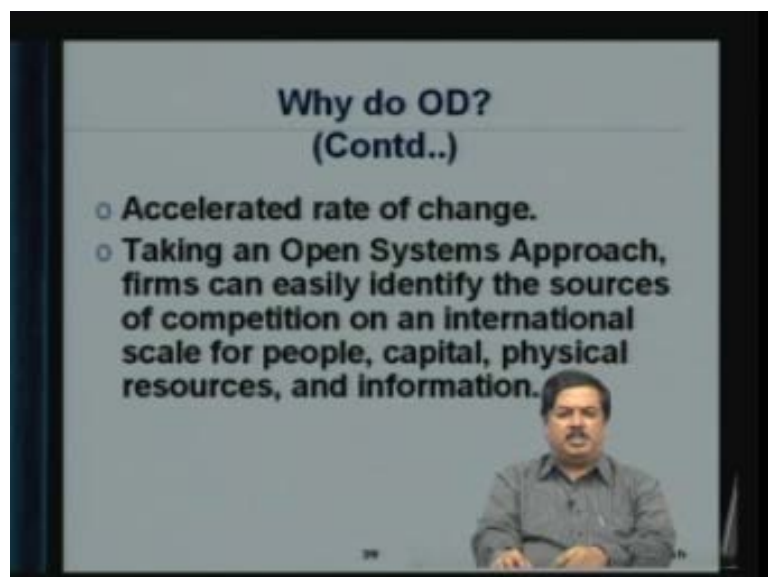
So one can also see this when you are talking about OD whatever we did in the past was fine but in the kind of the way the competitions are coming, we are addressing the global markets and when you have to reach the global markets capacities are important, competencies are important, technologies are important, processes are important but on the whole all of these things need to be integrated and we are also seeing that the survival is becoming one

important issue and then the prosperity and moving forward is another important thing. So both demands the kind of changes the you know the changes required at all levels in all aspects of the aspects of the organization.

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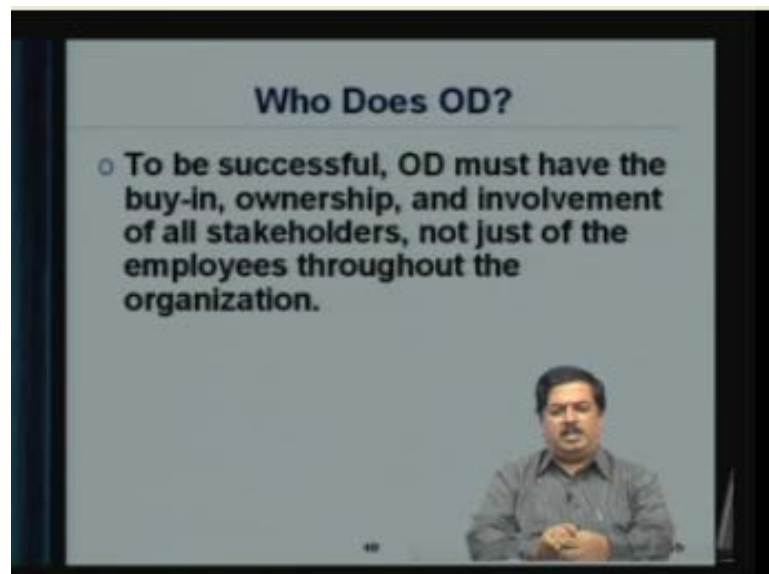


So organization need to be more responsible to one developed closer partnership in their customers with their customers and that means unless you understand not only the

organization but also you need to see what other people are doing other important stakeholders can help you to do things better. So the firms that change to survive and they should also attack the kind of problems they are facing. So it is not that only symptoms but in a very systematic way, in a planned way and in a humane manner so that means you are creating an organization-wide change and an organization-wide change engages all people but not affecting the in any negative fashion and also the kind of the planned change, we are also using this word today the speed.

So there is an accelerated rate of change, so that is where taking an open systems approach now firms can identify the kind sources of competition both at the national level as well on an international level and where people capital physical resources and the information every of these things become very very relevant, I think that is what we are talking about organization-wide change and now who can do all this I think that is become an important thing.

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So to be successful OD must have the buy-in ownership and involvement of all stakeholders not just of the employees throughout the organization. So that means OD is not done only to the employees or worker, OD is done at all levels including the stakeholders suppliers. So OD is usually facilitated by change agents. So in other words who can see organization its relationship with the different entities and the within the organization people or teams, so if the so they must be able to see and then able to manage that kind of a change effort.

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**Who Does OD?
(Contd..)**

- **OD is usually facilitated by Change Agents -- people or teams that have the responsibility for initiating and managing the change effort.**

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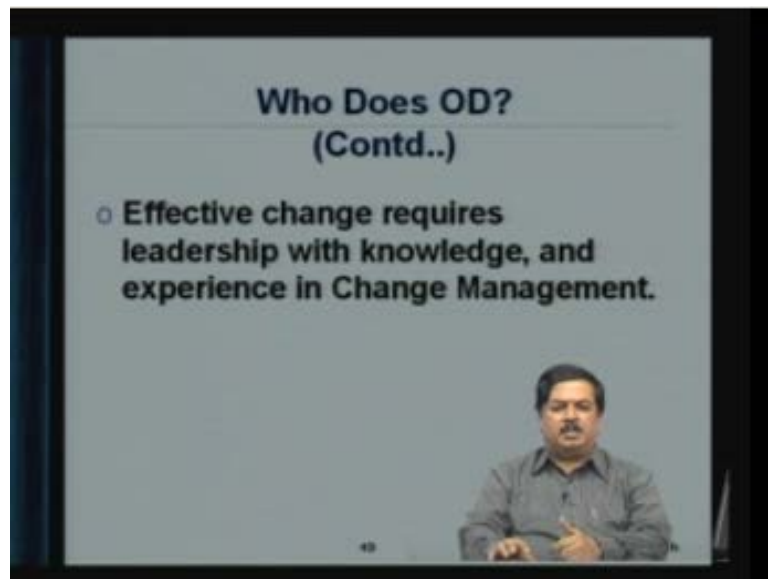
**Who Does OD?
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- **These Change Agents may be either employees of the organization (internal consultants) or people from outside the organization (external consultants).**

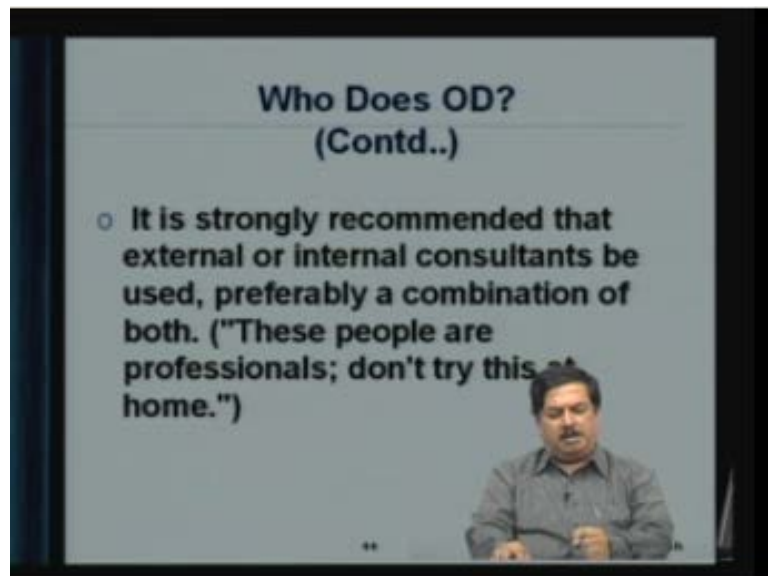
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So the, so the change agents maybe either employees of the organization referred to as the internal change agents or the internal consultants or it could be the experts from the outside the organization also can be referred to as external change agents or the external consultants. So the question is the effective change requires leadership with knowledge and the experience in change management if these things are not there if we the if the CEOs or the leadership is not guided by this, they normally it results in the kind of failure.

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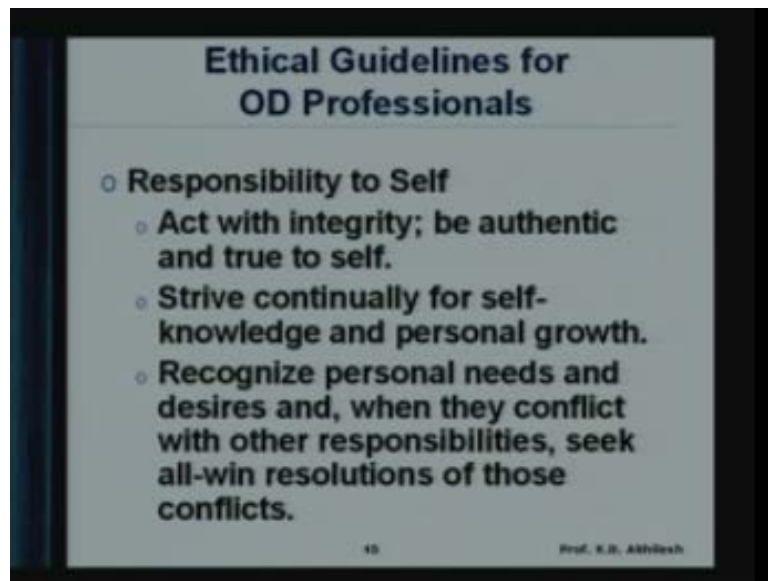


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So several studies have reported this, it is strongly recommended that external or internal consultants must be used and preferably a combination of both. So not only internal sometimes it works very well internal people, sometimes it is desirable to use external. So question is the professionals and you know best is that you cannot create home an overnight. So it is important to see who are trained in the philosophy in the technologies and also the kind of attitudes what they have about the organization.

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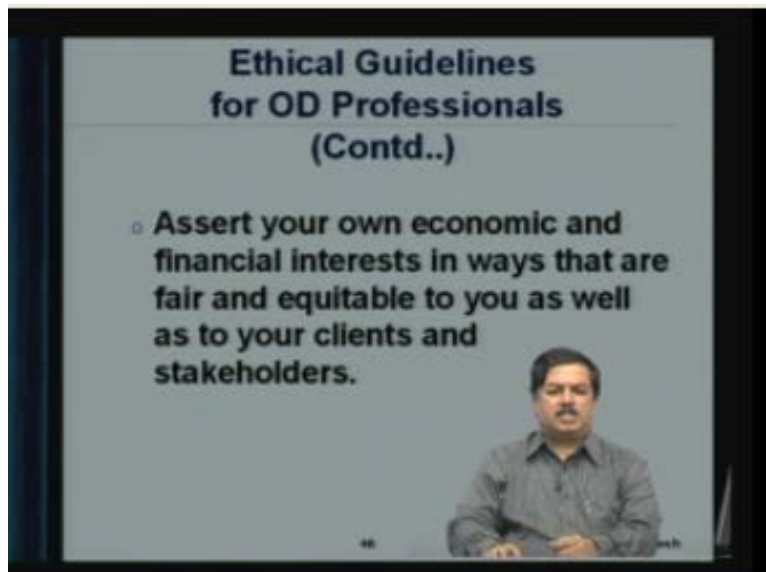


So that is a where we quickly run through some of the guidelines for the OD professionals, so they have a responsibility to self, so they act with integrity they are authentic and they true to self the strive continuously for self-knowledge and the personal growth to themselves are prone to the change and then you know recognize personal needs and desires and they do not exploit the organizational thing. Let me give you an example though somebody was appointed as a consultant who bring about change in the research firm but the question is that he thought that he can become a director of that particular lab. Now that is the time where the internal people who are resists such attempts and also it the you know in one that predict a situation he was also thrown out from the responsibility of the change agent.

So in other words one need to separate one's own self requirements as well as requirements of the organization and very clearly, one need to assert economic and financial interest in ways that are fair and equitable to the organization as well as to the clients. So it is extremely important that it is done a free service, it is a professional service but the time, the commitments has to be stated at the beginning and also the question of responsibility for professional development competence and also the question of responsibility for professional development competences. So one need to accept responsibility for the consequences of your acts, if you are not say that are not responsible because many times organization failure is due to the change failures are due to several reasons but change agent also must ensure a verifiable process of why successful or failures.

So as try to achieve and manage maintain a kind of a professional involvement and professional engagement. They said earlier that one need to recognize the personal needs and desires and deal with them responsibly and the performance of you know performance of professional roles are extremely important and also practice within the limits, within the limits of the competencies, culture and experience in providing services and also using the kind of techniques.

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**Ethical Guidelines
for OD Professionals
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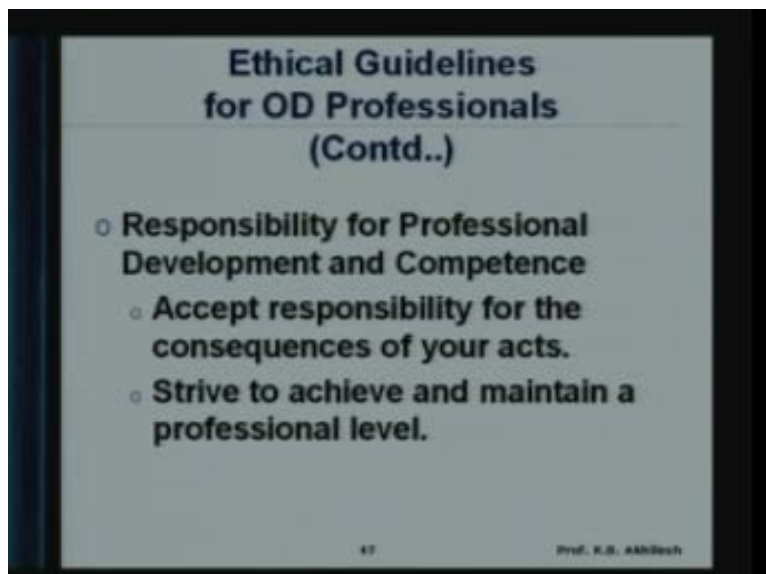
- **Assert your own economic and financial interests in ways that are fair and equitable to you as well as to your clients and stakeholders.**

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Prof. K.S. AnilKish

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**Ethical Guidelines
for OD Professionals
(Contd..)**

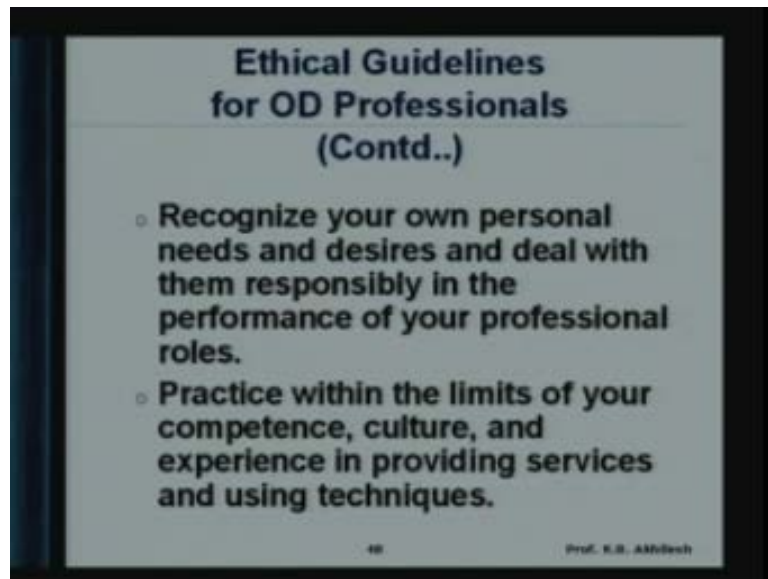
- **Responsibility for Professional Development and Competence**
 - **Accept responsibility for the consequences of your acts.**
 - **Strive to achieve and maintain a professional level.**

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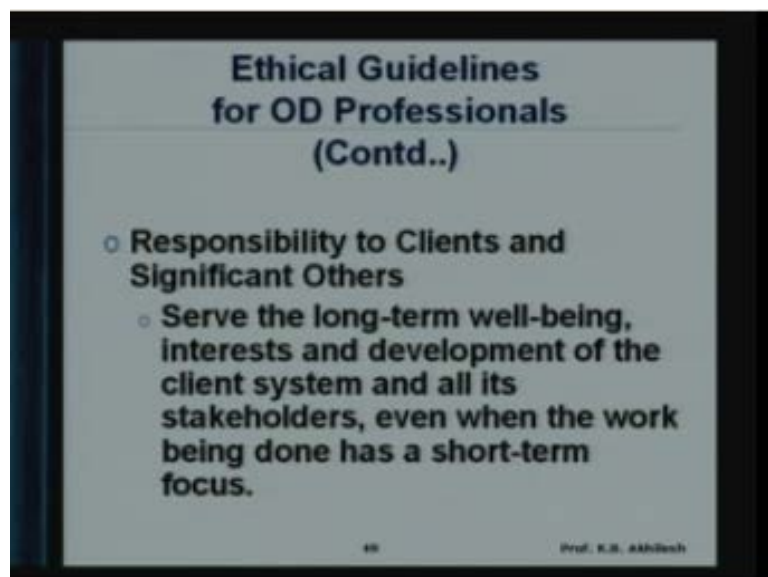
Prof. K.S. AnilKish

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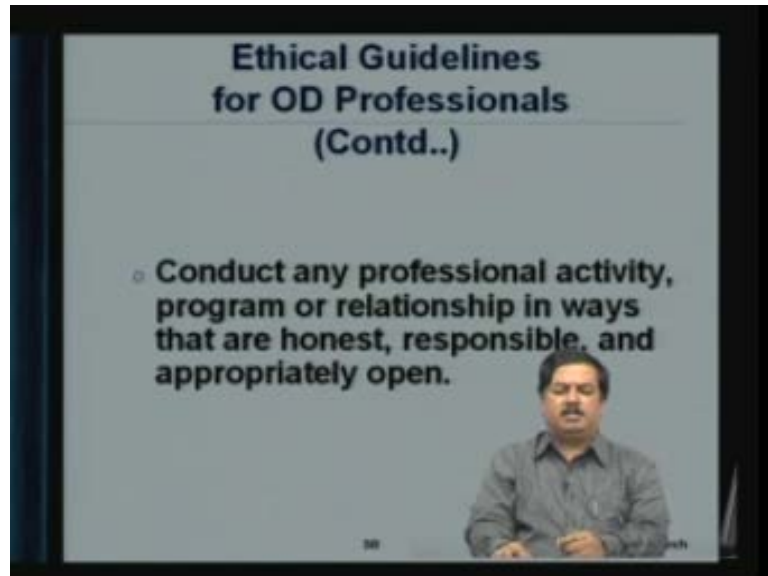
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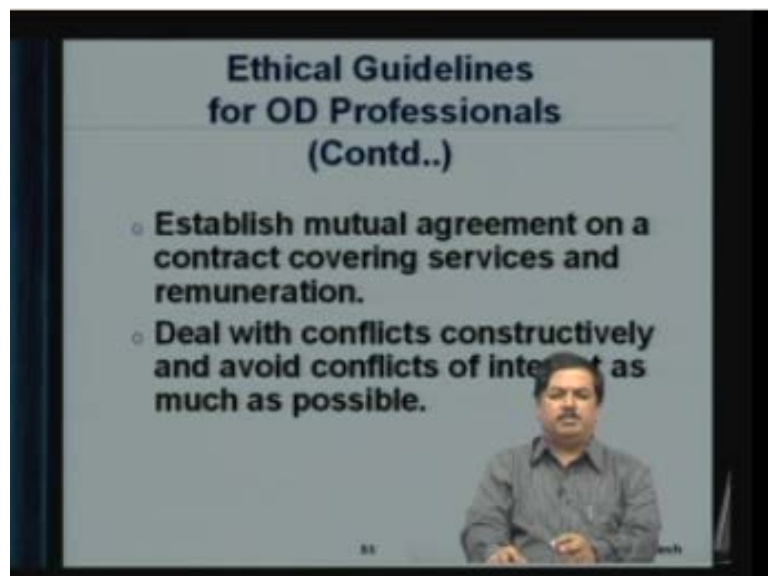
So an untrained person will not be of any great use to the organization similarly, responsibility to the clients and significant others so one need to serve the long-term well-being of the organization, interests of the organization and development of the client systems and all its stakeholders are very critical and important. So the it is not just one term short term

kind of a thing and conduct all the professional activities and programs and relationships in ways that are honest responsible and they are open.

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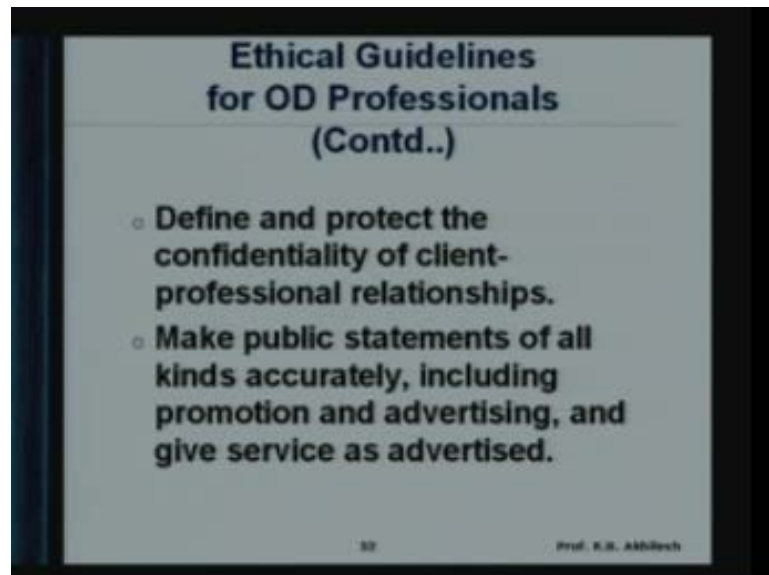
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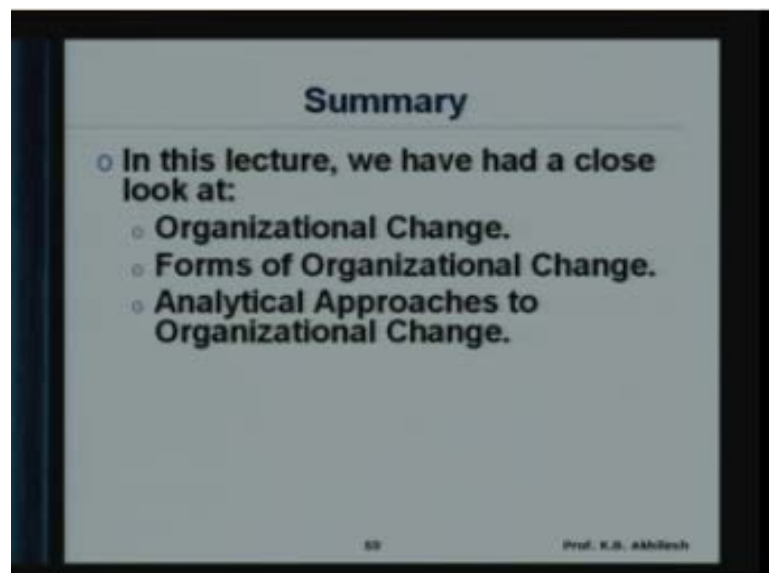
So that means the always so anybody can verify it, so the database approaches high level of participation and in you know particular involvement in planning the activities always will help. So establishing mutual agreement on a on a contract covering the services and

remuneration is very important. So deal with conflicts very constructively and one need to avoid conflicts.

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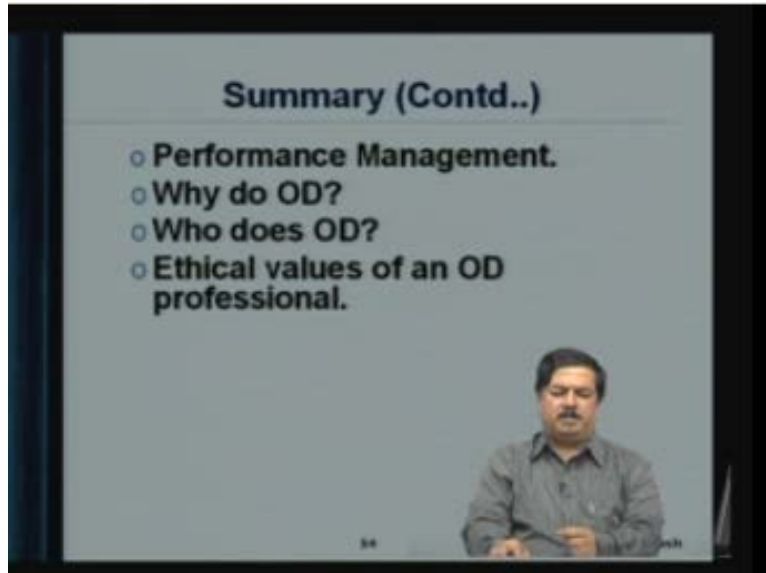
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So that means you know one need to state all the rules of the game as much as possible and the defining and protecting the confidentiality of clients and professional relationships are very important and making sure that the public statements or all kinds are you know very

accurate and then particularly, when you know the promotion and advertising things are systematic. The question is that we need to see organizational change and then involve a change agent who is professional and professionally trained who carries the required ethics and professional standards.

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Summary (Contd..)

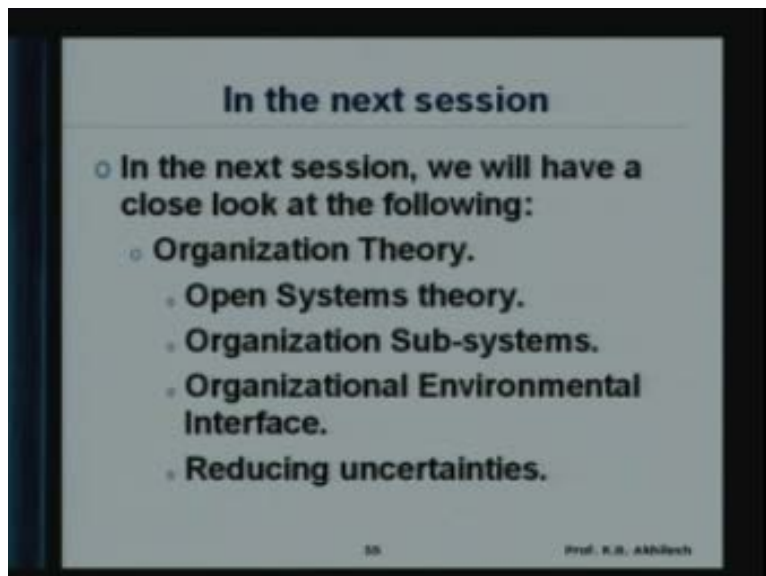
- **Performance Management.**
- **Why do OD?**
- **Who does OD?**
- **Ethical values of an OD professional.**

34

Prof. K.B. Akhilesh

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In the next session

- **In the next session, we will have a close look at the following:**
 - **Organization Theory.**
 - **Open Systems theory.**
 - **Organization Sub-systems.**
 - **Organizational Environmental Interface.**
 - **Reducing uncertainties.**

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Prof. K.B. Akhilesh

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So in the last two lectures, we have seen particularly the various dimensions of organization development and how OD can be introduced and managed. Particularly in this lecture, we had a close look at organizational change, the forms of organizational change, analytical approaches to organizational change and change in the context of performance management and why do we do organization development, who can does its OD and so the important things of values of an OD professional both to the self to the clients and to the practices as a whole and in the next one, we will also see the following that is about organizational theory, the open systems theory, the organizational sub-systems, organizational environmental interface and also reducing uncertainties and managing uncertainties.