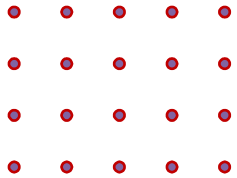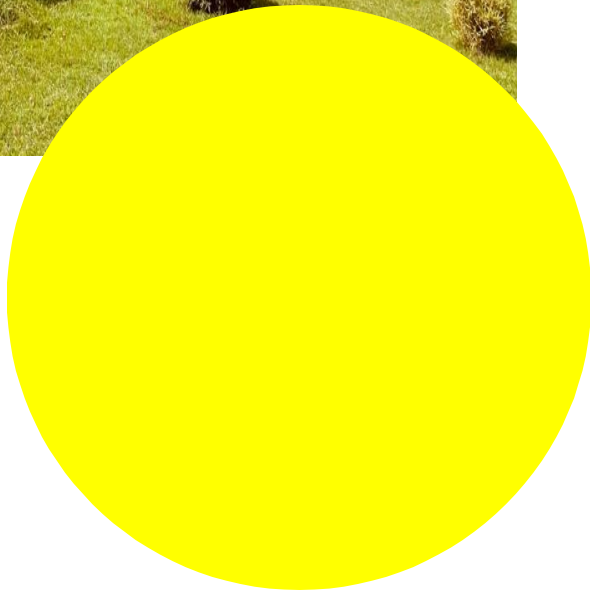**BRANCH:- BBA**
SEMESTER:- 6TH

ORGANISATIONAL CHANGE & DEVELOPMENT

Knowledge is Power

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Knowledge is Power

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UNIT 1

To be discussed:

- *Concept of change, its importance, causes and nature.*
- *Organisational levers for change.*
- *Perspectives on change: – contingency approach, resource dependence theory, population ecology theory & institutional theory.*
- *Six box organisational model, 7s framework.*
- *Types of changes :- continuous & discontinuous*

  participative & directive

  Planned & unplanned

Organisational Change

Concept of change: A change concept is a general notion or approach to change that has been found to be useful in developing specific ideas for changes that lead to improvement. Creatively combining these change concepts with knowledge about specific subjects can help generate ideas for tests of change.

Organizational change is the movement of an organization from one state of affairs to another. ... 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 upon an organization because of a shift in the environment.

Why its important? Organizational change is necessary for orgn.

➢ to succeed and grow.

➢ Change management drives the successful adoption and usage of change within the business.

➢ It allows employees to understand and commit to the shift and work effectively .

Causes of change:

What Causes Change in an Organization?

➢ Change in governmental policies.

➢ Change in market demand.

➢ Changed technology.

➢ Social changes.

➢ Failure.

➢ Competitive innovation.

➢ Cost Cutting.

➢ Merger and acquisition.

Nature of change:

Change is ;

➢ natural,

➢ accelerating,

➢ exponential and

➢ compounding.

Even though at some cognitive level we already know that, change can still catch us unaware. It can be startling like the sudden, unexpected report of a gun.
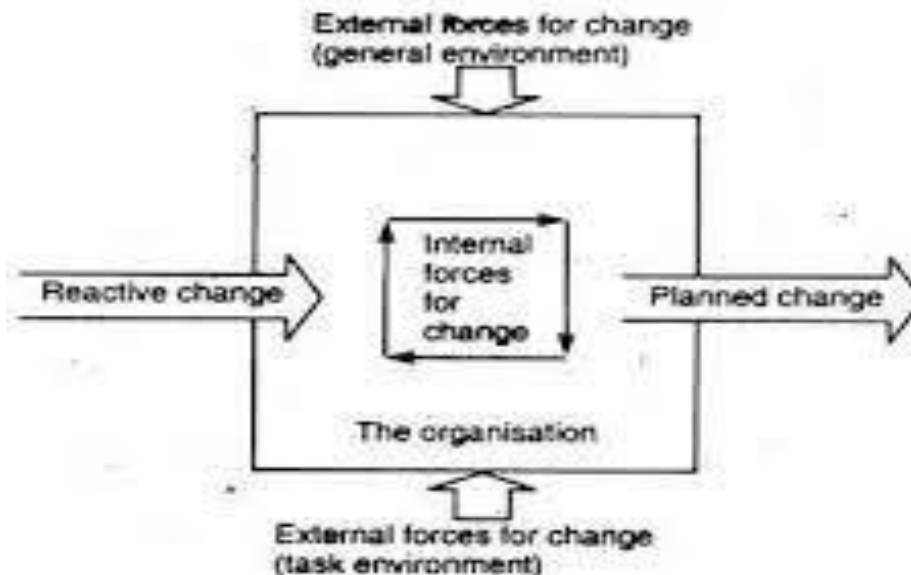
Fig. 15.2 : The Nature of Organisational Change
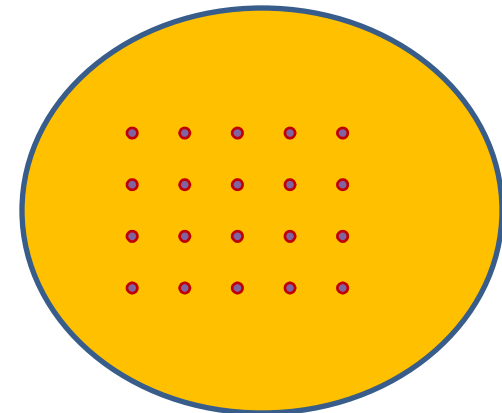
Organisational levers for change

What is organisational lever?

A lever is a tool or methodology used to implement changes effectively. When it comes to organizational design, levers can be quantitative as well as qualitative.

The seven levers of change are:

(1) fostering contacts with advocates of the change,

(2) using mass exposure,

(3) hiring expertise if necessary,

(4) shifting resistance,

(5) providing needed infrastructure,

(6) leading by example, and

(7) rewarding successes.
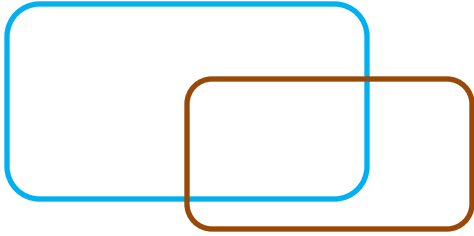
Change management research indicates five levers that are available to encourage employees to embrace and adopt change:

- ➤ communications lever,
- ➤ sponsor roadmap lever,
- ➤ coaching lever,
- ➤ training lever, and
- ➤ resistance management lever
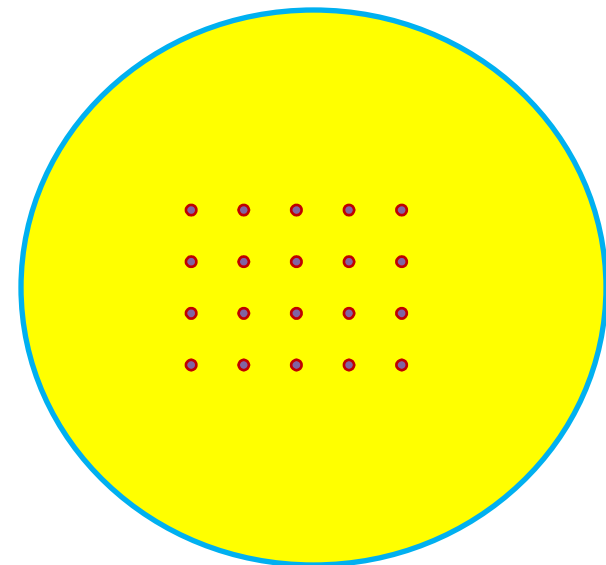
Five Levers of Mindful Change Management

Perspectives on organisational change

Perspective on change:

- ➤ There are four stages of change:
- ➤ operational change,
- ➤ directional change,
- ➤ fundamental change and
- ➤ total change

This **change** reflects conditions on two levels: the need to improve or alter operations within the company, and dissent within the business' culture.

Perspective on change

Environment

Inputs:	Processing:	Outputs:
a. Human	a. Operation	a. Product
b. Financial	b. Management	b. Services
c. Physical	c. Control	c. Profit
d. Information		d. Information
		e. Leadership
		f. Efficiency
		g. Social Responsibility

Feedback

Environment
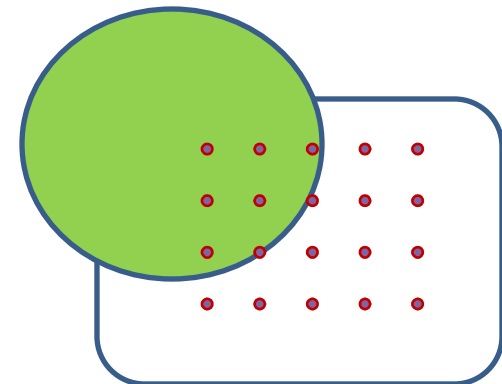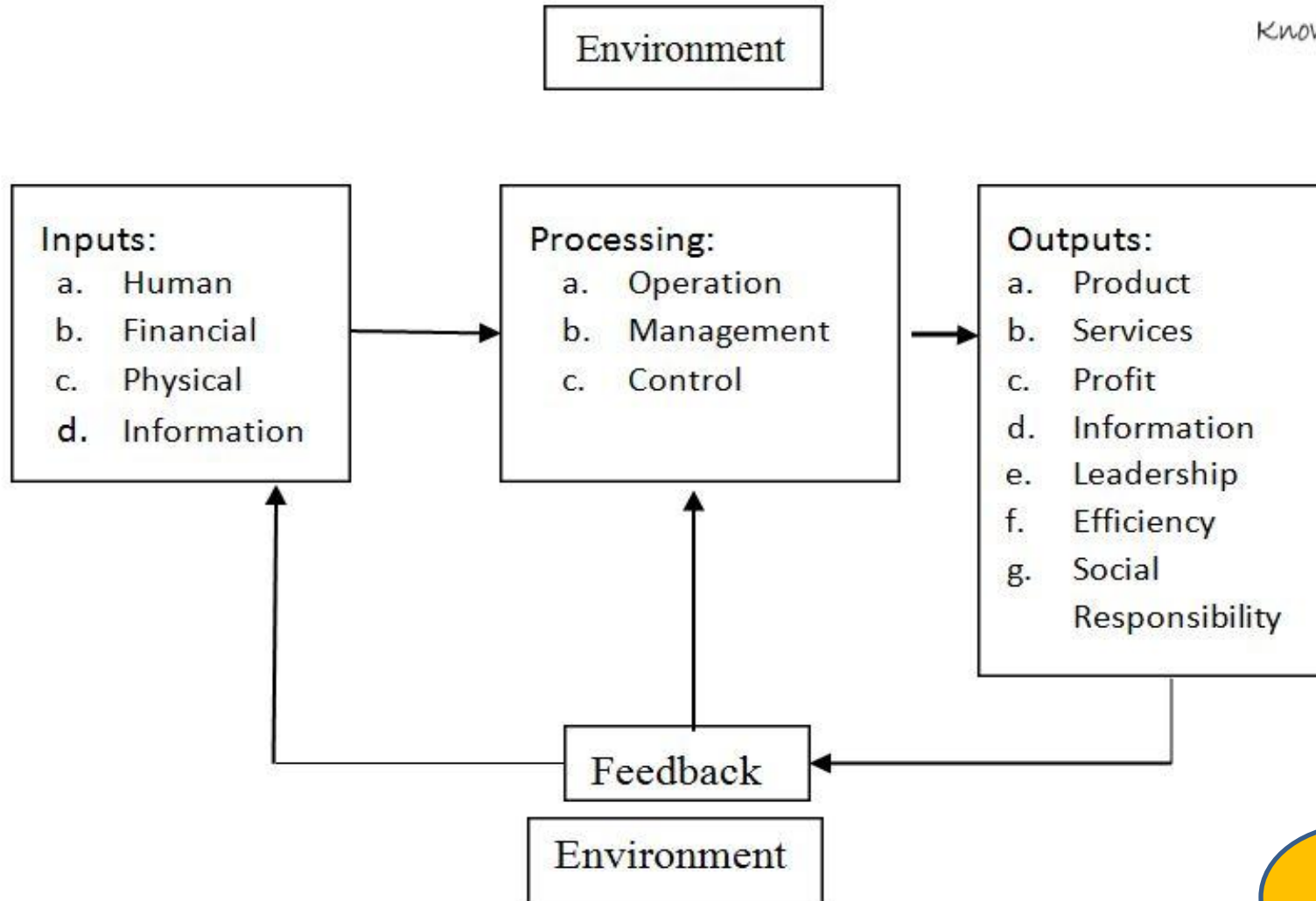
(1)Contingency approach of perspective on change

The **contingency approach** is a management theory that suggests the most appropriate style of management is dependent on the context of the situation and that adopting a single, rigid style is inefficient in the long term. It is theory of management that proposes that there is no standard for management practice, instead it should depend on the situation.
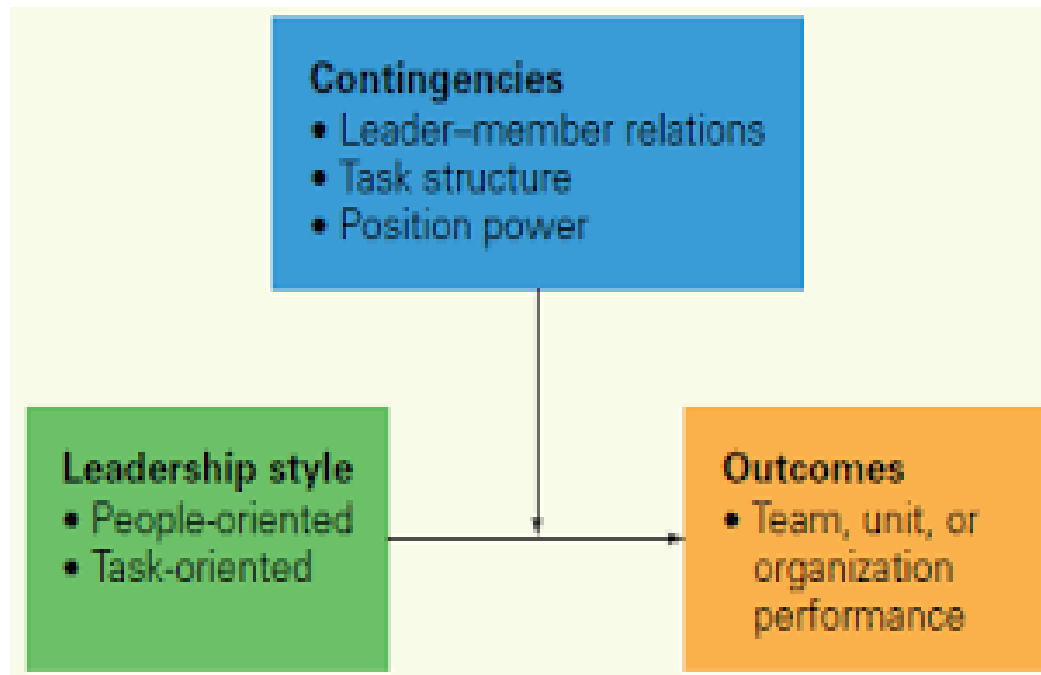
EXAMPLE

An example of the contingency viewpoint in action is a manager facing a situation with an employee who regularly shows up late to work. A manager could have a written protocol for this situation in which there is only one option: give the employee notice.

Contingency approach in business:

The contingency approach refers to the idea that business leaders need to adjust leadership styles based on the situation at hand. It becomes a balance of a business leader's natural style and understanding when and where it needs to be altered.

Features of Contingency Approach to Management

- ❖ Management is externally situational: the conditions of the situation will determine which techniques and control system should be designed to fit the particular situation.
- ❖ Management is entirely situational.
- ❖ There is no best way of doing anything.
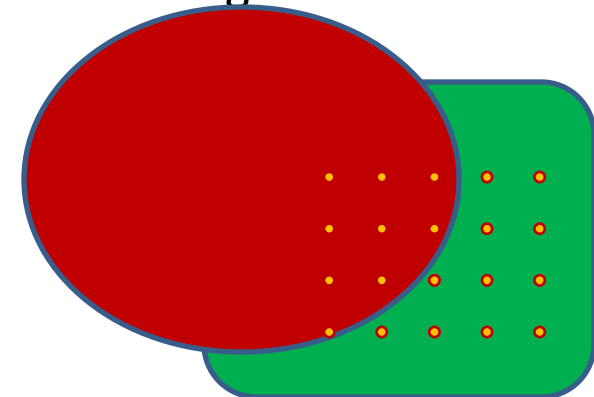
Types of contingency theory:

❖ Situational leadership theory

❖ Path goal theory

❖ Decision making theory

(2) Resource dependence theory of perspective on change

Resource dependence is when one organization has to rely on another organization for a resource. These resources can be for things as obvious as financing or as subtle as recognition.

Resource dependence theory (RDT) is the study of how the external resources of organizations affect the behavior of the organization. The procurement of external resources is an important tenet of both the strategic and tactical management of any company.

This theory of perspective change is based on the principle that an organization, such as a business firm, must engage in transactions with other actors and organizations in its environment in order to acquire resources. ... As uncertainty and dependencies increase, the need for links to other organizations also increases.

The Resource Dependency Theory

Labor (Employees)

Funds (Budget)

Lines of Communication
(Transportation)

Materials (Suppliers)

**Logistics
Organizations**

Outputs
(Units)

Facilities (Warehouses)

Knowledge and Equipment
(Recruiters, Technical Sector)

Environment
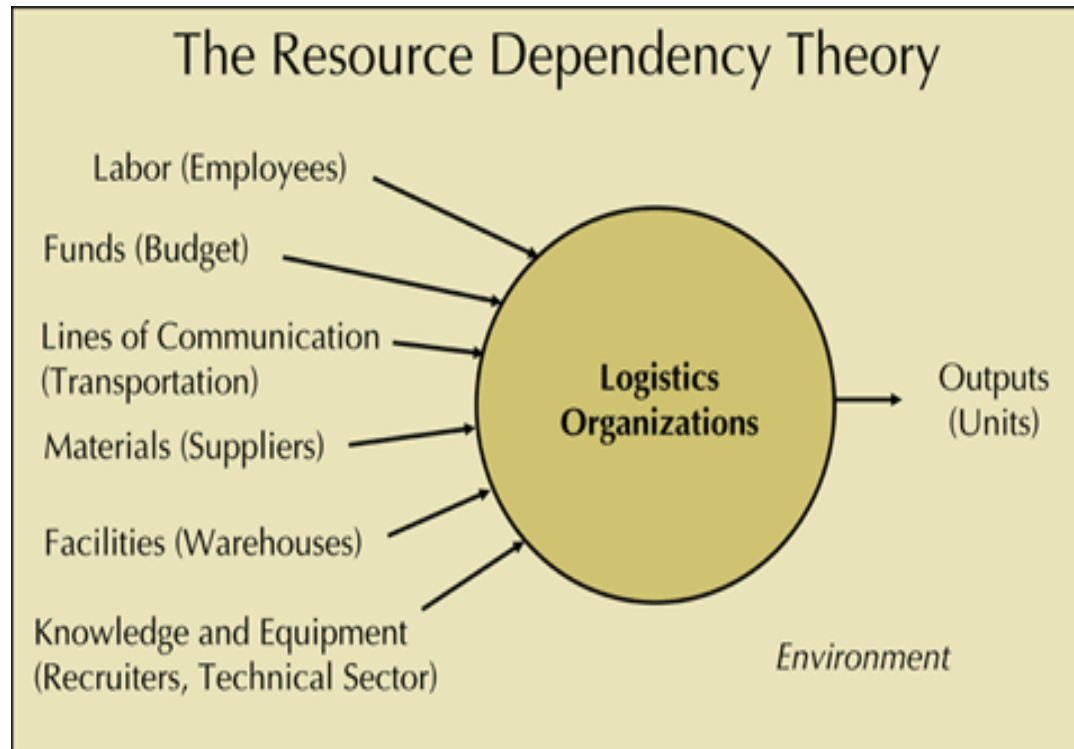
(3)Population ecology theory

Population ecology is the study of dynamic changes within a
given set of organizations. Hannan & Freeman believe that
long-term change in the diversity of organizational forms
within a population occurs through selection rather than adaptation.
This theory proposes that change occurs at the population level and is a result
of the process of organizational selection and replacement of its population.

Ecologist perspectives of different level of organisation
Ecologists ask questions across four **levels** of biological **organization**

❖   organismal,
❖   population,
❖   community, and
❖   ecosystem.

The Population Ecology Perspective

- **In order to survive, organizations seek to find a niche in a highly competitive surrounding**

- **Three stages in the change process**
  - **Variation**
  - **Selection**
  - **retention**

Institutional perspective theory

Institutional change

Change occurs when the underpinning logics (shared meanings) within organizational fields become unsettled and, in consequence, the organizational arrangements associated with them are adapted and perhaps displaced.

Institutional change explains the change of institutions considered as rules and expectations that govern human interactions and paths of development in society.

Different institutional perspective-:

An institutional perspective is also understood to include institutions as organisational structures through which we operate - universities, professional associations, government departments and so on. ...

➢ The first deals with policy issues;
➢ the second an institutional perspective and
➢ the third a technical perspective.
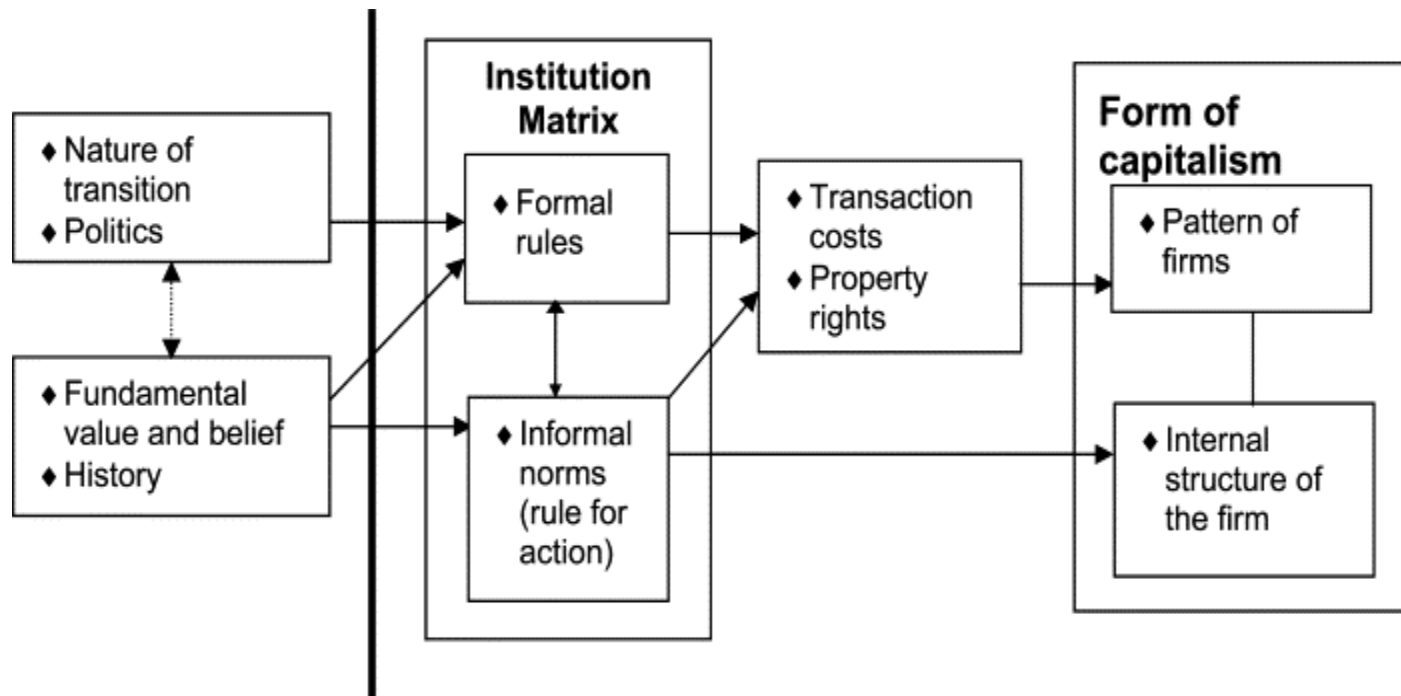
Institutional model

- **INSTITUTIONAL MODEL**. Focuses on the traditional organization of government. It describes;
- the duties and arrangements of bureaus and departments.
- Considers constitutional provisions, administrative and common law, and
- judicial decisions.

Institutional theory examines ways in which "organizational structures, norms, practices, and patterns of social relationships are connected to the broader social and cultural environment".

Institutional perspective on education

Adopting an institutional perspective to advance a program of global education leads to identifying the norms, structures, organization, and elements of the system which can support global education. The focusing point in this perspective is seeking alignment and coherence between these various elements of the system.

Why its important to institutionalism theory on orgn.al change?

Thus, institutionalization is important for organizational development, because it considers the processes of learning and changing institutional models from an evolutionary and deterministic point of view, which influences the movements of change and deals with the level of uncertainty inherent in the innovative ..

Six box organisational model

Weisbord's 6 box model is a framework developed to diagnose organisational issues that are not obvious to senior management. The model outlines six possible areas of investigation to look into when looking to find areas where the organisation is not functioning as efficiently as it could. Often organisations are so large and complex that despite managers knowing it could operate more efficiently, they do not know where to begin in finding and correcting the problem.

The **six boxes** that define and make up the model are;

- ✓   purposes,
- ✓   structure,
- ✓   relationships,
- ✓   rewards,
- ✓   leadership, and
- ✓   helpful mechanisms.
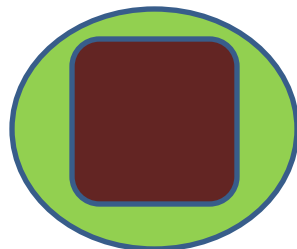
Six box model of organisation

Weisbord's 6 Box Model

Purposes

Relationships

Structure

Leadership

Helpful Mechanisms

Rewards

Outside Environment

- It is very important and crucial to carefully analyze and understand *the Six Box Model by Weisbord* as it works as one of the most crucial exercises for the business and helps to reveal the number of interesting discoveries that help in the growth of the business and the relates profits.
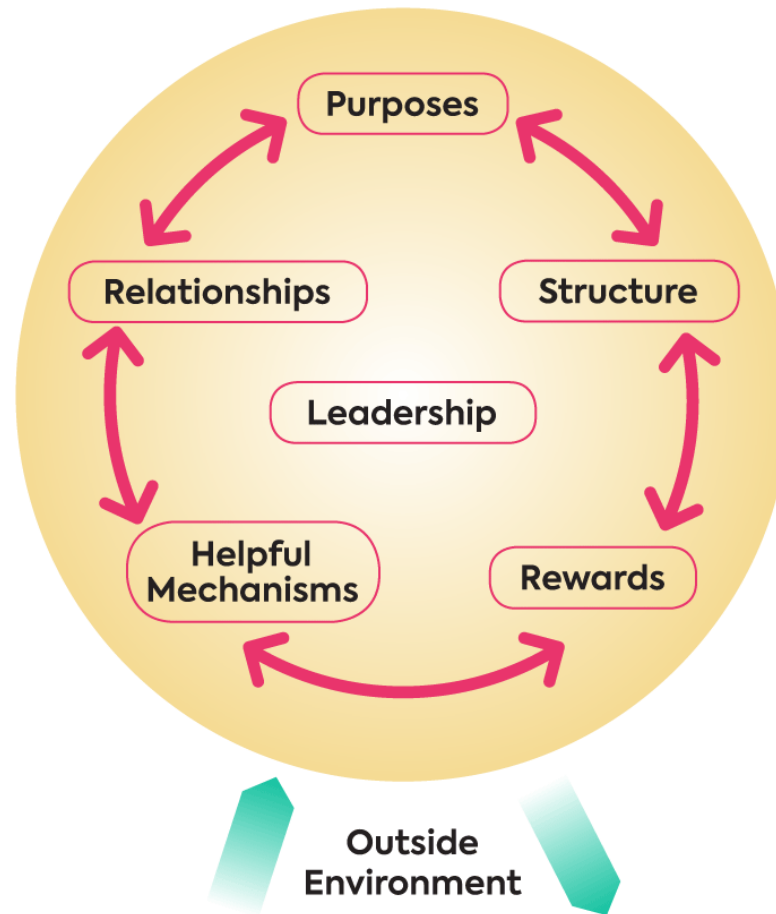
- The model helps the businesses to focus on the common mistakes that the management of the company assumes that they know and understand each and every facet of the business. There is always more and more to understand and learn to gain the competitive advantage and make it big in the industry. The **Components** are as follows.

- **Purposes:** This aspect of the model harps on the fact that the management and all the key members of the team agree and support the overall values,goals aims, and mission of the organization.

- **Structure:** This aspect of the model focuses on the fact that if there is a proper and deemed fit between the internal structure and overall purposes of the organization.

- ***Relationships*:** This aspect of the model makes the management understand what kind of relations exists between the various individuals of the company, between the departments, and more importantly between the individuals and nature of their work. It also focuses on the facets of conflicts if any, the kind of interdependencies, and the nature and quality of relations.

- ***Rewards*:** This aspect of the model harps on the fact that what kind of rewards do the organizations gives to its employees, for what kind of attributes the employees are rewarded and punished for and what steps does the organization takes to fit in the business enviroment.

- ***Leadership*:** This aspect of the model focuses on the style of the leadership followed in the organization, the leadership programs defined by the leaders of the organization, and are they well aligned with the nature, core values, and objectives of the organization.

- ***Helpful Mechanisms*:** This aspect of the model focuses on if the various mechanisms of the organization help in accomplishing the objectives or works as an obstacle in the path of their attainment.

7s framework

The *McKinsey 7S Model* refers to a tool that analyzes a company's "organizational design." The goal of the **model** is to depict how effectiveness can be achieved in an organization through the interactions of seven key elements –

- ✓   Structure,
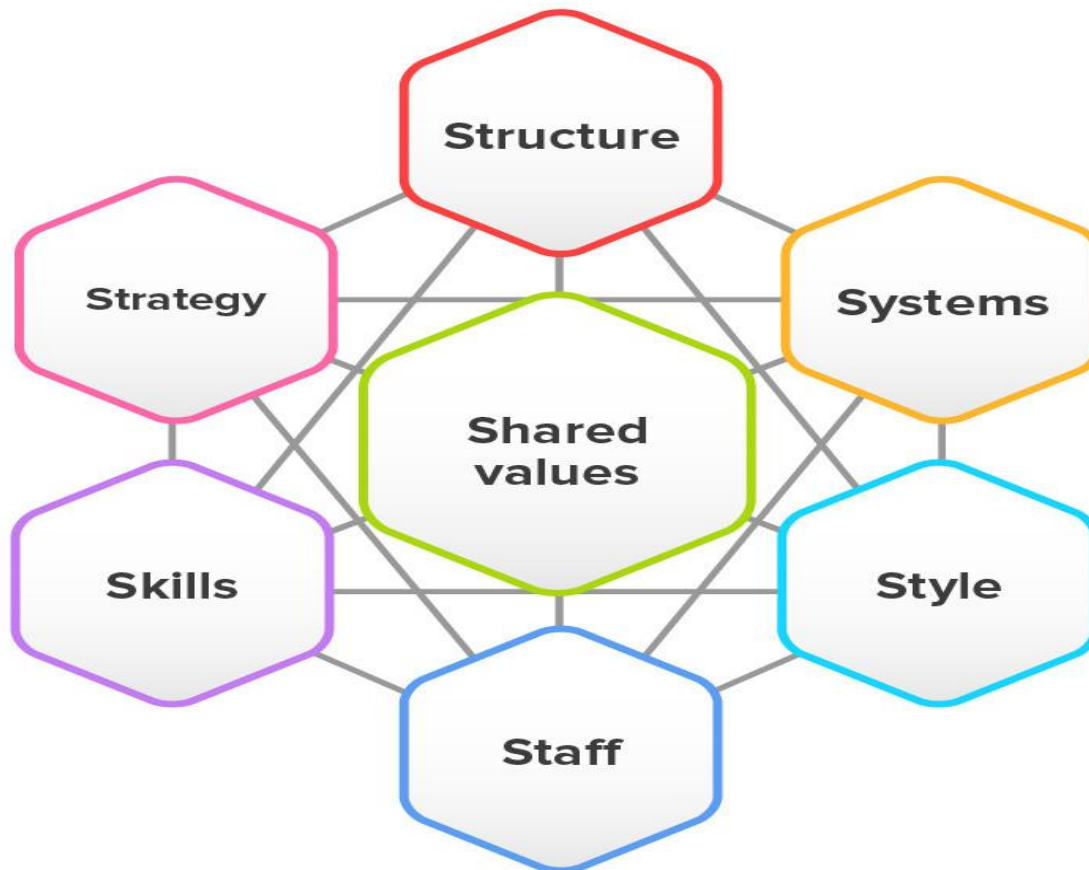- ✓   Strategy,
- ✓   Skill,
- ✓   System,
- ✓   Shared Values,
- ✓   Style, and
- ✓   Staff.

The **seven elements**: strategy, structure, systems, skills, staff, style and values are dynamic and change constantly. A change in one element always has effects on the other elements and requires implementing new organizational design.

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The **McKinsey 7S Model** is a framework for organizational effectiveness that postulates that there are seven internal factors of an organization that need to be aligned and reinforced in order for it to be successful.

The **strategy** is the plan deployed by an organization in order to remain competitive in its industry and market. It aligns with the other elements of the model and clearly communicates what the organization's objective and goals are.

The **structure** of the organization is made up of its hierarchical structure, the chain of command, and divisional makeup that outlines how the operations function and interconnect.

Systems of the company refer to the daily procedures, workflow, and decisions that make up the standard operations within the organization.

Shared values are the commonly accepted standards and

norms within the company that both influence and temper the behavior of the entire staff and management.

Skills comprise the talents and capabilities of the organization's staff and management.

Style speaks to the example and approach that management takes in leading the company, as well as how this influences performance, productivity, and corporate culture.

Staff refers to the personnel of the company, how large the workforce is, where their motivations reside, as well as how they are trained and prepared to accomplish the tasks set before them.
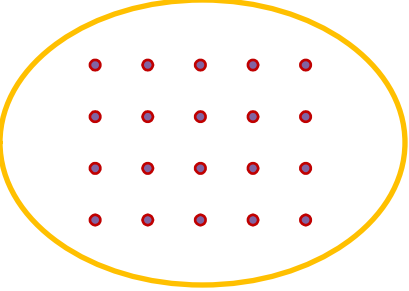
The McKinsey 7-S Model is applicable in a wide variety of situations where it's useful to understand how the various parts of an organization work together. It can be used as a tool to make decisions on future corporate strategy.

The framework can also be used to examine the likely effects of future changes in the organization or to align departments and processes during a merger or acquisition. Elements of the McKinsey Model 7s can also be used with individual teams or projects.
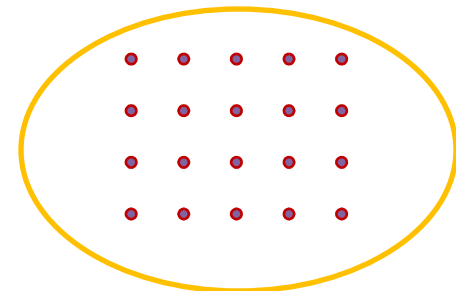
Types of changes

Continuous change refers to different types of organizational changes that "tends to be ongoing, evolving, and cumulative" It is an ongoing, continual process where the organization actively engages in revising its strategy, structure, and approaches. The process of **Continuous change** implies that the post change stage in an organization maintains a linkage with the pre change stage. For example, change happening in various business processes by way of continuous improvement leading to the evolution of the same process.

The continuous change model views the entire process of change from the top management perspective and considers change to be a continuous process. The Continuous change process model is a more complex and a refined model than the Kurt Lewin's Model of change.

Continuous change model

Discontinuous change refers to external changes that require internal adaptation along a path that is nonlinear relative to a firm's traditional innovation trajectory.

Discontinuous change occurs in response to an abrupt event in the environment - a strategic shock - for which there is
no organizational precedent. Discontinuous means the event is not continuous with the past or current direction of the organization.

Periods of discontinuous change are characterized by not knowing what is changing and having a poor sense of how to cope with the transition. …
Outcomes are uncertain because the direction of change after the discontinuity cannot be predicted.

Directive & participative change

- ***Directive change*** – the manager uses his authority and imposes change with little or no involvement of other people. Expert strategy – usually involves expertise to manage and solve technical problems that result from the change. Educative strategy when the manager plans to change peoples' values and beliefs.

  A directive change is used to direct the contractor to perform additional work when there is not an agreement between the owner and contractor.

  Participative change is "bottom up" change made by educating the staff members and letting them share in the ownership of the change. This type of change seems to work best with a staff that is relatively high in ability and willingness. This acts as a force to motivate employees to meet specific organizational goals. The main idea behind this style of management is not only using physical capital but also making optimum utilization of intellectual and emotional human capital.

Planned & unplanned change

Planned change is defined as the process of preparing the entire organization or at least a significant part of it for new goals or new direction. The direction can be culture, internal structures, metrics and records, processes, or any other relevant and related aspect.

Planned change or developmental change is undertaken to improve the current way of operating. It is a calculated change, initiated to achieve a certain desirable output/performance and to make the organization more responsive to internal and external demands.

Planned change or developmental change is undertaken to improve the current way of operating. It is a calculated change, initiated to achieve a certain desirable output/performance and to make the organization more responsive to internal and external demands.

Why planned change is important?

Every organization makes minor structural adjustments in reaction to changes in its direct action and indirect action environments.

Planned change aims to prepare the entire organization, or a major part of it, to adapt to significant changes in the organization's goals and direction.

Unplanned Change – Organizational changes that are not foreseen prior to the need to change, often made necessary by shifts in the organizational environment. Crisis Management – The process of preparing for, mitigating, responding to, recovering from, and learning from emergency incidents.
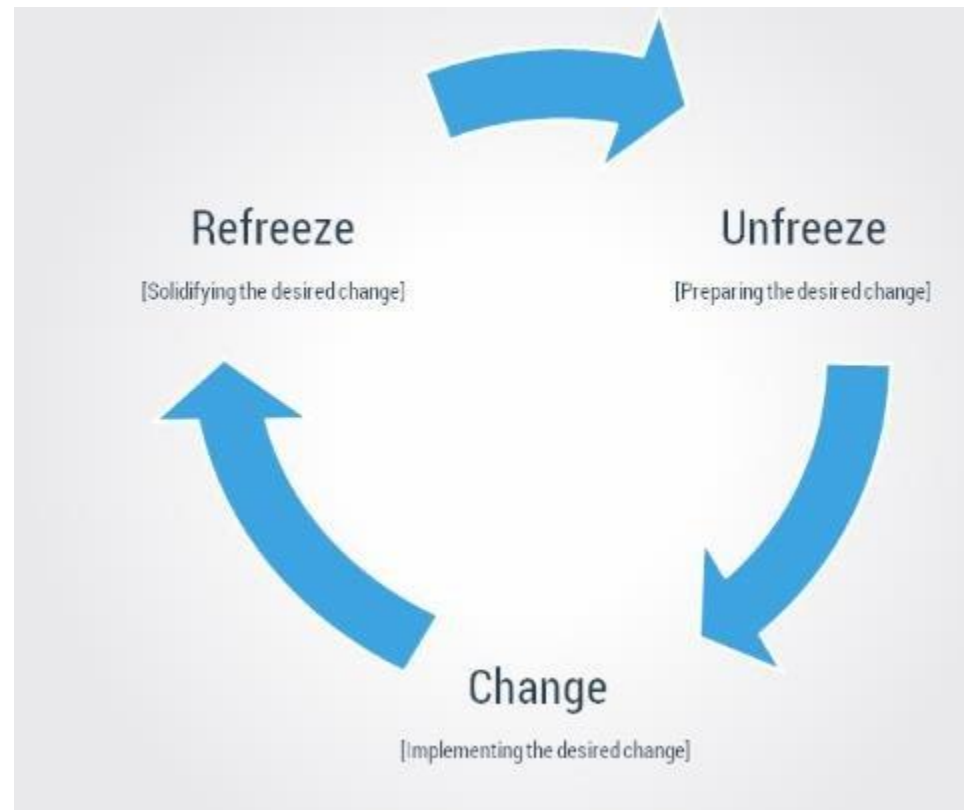
An unplanned change occurs randomly and spontaneously without any specific intention on the part of managers or employees of addressing a problem.

Difference between planned and unplanned change

Planned change occurs when deliberate decisions are made in an organization, while **unplanned change** is a result of unforeseen occurrences. The unplanned changes are spontaneous, accidental or the product of sudden decision.

Kurt Lewin's

change model

Refreeze
[Solidifying the desired change]

Unfreeze
[Preparing the desired change]

Change
[Implementing the desired change]

UNIT

2

Topic to be discussed:

Resistance to change :–
- ❖ *The life of resistance to change,*
- ❖ *change resistance model,*
- ❖ *managing resistance to change*
- ❖ *steps to successful change*

Managing change:-
- ❖ *Planning internal resource person & external agents,*
- ❖ *Organisational restructuring and reorganising work activities*

Resistance to change

What is resistance?

Resistance means reluctant to adapt something new. The unwillingness to adapt, to altered circumstances. It can be covert or overt, organized, or individual.

Resistance to change meaning as the reluctance of people to adapt to the changes and to cling to the pre-existing customs and methods, mostly due to the fear of facing the unknown and its possible negative effects .

Resistance to change is the action taken by individuals and groups when they perceive that a change that is occurring as a threat to them.

Organizational Resistance

Organizational inertia is the tendency for an organization as a whole to resist change and want to maintain the status quo. Companies that suffer from inertia become inflexible and can't adapt to environmental or internal demands for change.

Reasons of Resistance to Change Within Organisation

❑ Mistrust and Lack Of Confidence.

❑ Emotional Responses.

❑ Fear Of Failure.

❑ Poor Communication.

❑ Unrealistic Timelines.

Resistance to change normally comes down to one thing: fear. Specifically, fear of the unknown. ... It's not only the "negative" changes we fear, such as being laid off or facing a health crisis. Even the most exciting changes, the ones we seek out and initiate ourselves are sometimes hard to lean into.

Types of resistance:

a) Logical resistance: This kind of resistance basically arises from the time people genuinely take to adapt and adjust to changes.

b) Psychological resistance: Under this category, the resistance occurs purely due to mental and psychological factors.

How to manage Resistance and Effectively Implement Change

❑ Overcome opposition. Regardless of how well companies manage a change, there is always going to be resistance.

❑ Effectively engage employees. Listen, listen, listen. ...

❑ Implement change in several stages. ...

❑ Communicate change effectively.

Resistance change model

Denial
"It's not happening to me"
"I don't have to do this"

Letting Go

Commitment
"This is how I work now"
"This is a better way"

The New Beginning

Resistance
"This will never work"
"I want to go back to the old way"

Exploration
"OK, maybe this can work"
"There might be a way..."

The Neutral Zone

According to this model, people go through four phases of response to change:

❖ denial,

❖ resistance,

❖ exploration and

❖ commitment

Each phase corresponds to specific behaviours and emotions. - **Denial**: It results from insufficient knowledge and occurs when individuals believe the change will have little or no impact on them.

Resistance: This stage occurs when individuals begin to doubt the appropriateness of the change as a result of contradictory assessments, misunderstanding or lack of trust.

Exploration: the *e*xploration phase reflects the progress towards acceptance of the change. In this phase, individuals have accepted the reality of it and are seeking positive outcomes in terms of opportunities and personal self-interests. Managers should continue to motivate and encourage individuals with communications, provide training and short term goals to make them focus on priorities and move closer to commitment.

Acceptance/committment: *this* phase is characterized by individuals demonstrating their commitment. Managers should therefore use milestone celebrations, rewards and team building to motivate individuals to re-establish the psychological contract.

Steps to successful change

Five steps to successful change

1) Acknowledge and understand the need for change. …

2) Communicate the need and involve people in developing the change.

3) Develop change plans. …

4) Implement change plans. …

5) Evaluate progress and celebrate success.

(1) The **first step** in any change is acknowledging and understanding the need for change. It's tempting to see that something needs fixing and quickly jump to a solution. Resist the temptation and instead spend time understanding the situation and the change. Involve a range of people in developing a shared understanding of the situation.

(2) Once you and those working with you have explored the situation and fully understand what needs to happen, you will then need to communicate this. The communicating to stakeholders framework gives an approach to considering what is important to others, what motivates them and how this change will affect them. It is important to give communication and involvement the time it needs.

(3) Having clearly communicated and developed a shared understanding of the change, you need to detail the change plans. The first aspect of developing a change plan is to detail where you want to be. Be exact. What precisely will be different? What are the objectives you want to achieve? What will be the performance measures? Specify the change you want to see and understand the change.

(4) This is the change itself. Make sure everyone knows what has to happen and what their role it. Provide the support and watch out for stress. Maintain some routine as far as is possible. Take a look at team/individual change to understand how people react to change and how you can manage these reactions.

(5) As soon as you can start identifying what is going well, make sure people are thanked appropriately, their hard work acknowledged and successes celebrated.

MANAGING CHANGE:

Managing change means managing the conversation between the people leading the change effort and those who are expected to implement the new strategies, managing the organizational context in which change can occur, and managing the emotional connections that are essential for any transformation.

5 Steps in the Change Management Process

Prepare the Organization for Change.

Craft a Vision and Plan for Change.

Implement the Changes. ...

Embed Changes Within Company Culture and Practices. ...

Review Progress and Analyze Results.

PLANNING:

A *change management plan* helps manage the change process, and also ensures control in budget, schedule, scope, communi-cation, and resources. The change management plan will minimize the impact a change can have on the business, employees, customers, and other important stakeholders.

The planning process is concerned with defining company's goal and determining the resources necessary to achieve those goals. Achieving a vision requires coordinated efforts that adhere to a broader organisational plan. This is enabled through consistent strategies that are supported by staff at all level.
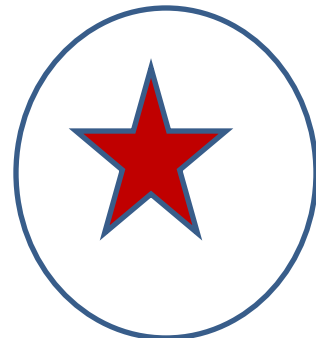
Managerial Planning process

Internal Resource Person

Even if the expert is from outside the organisation, some people from the organisation work with him. These people either have the same expertise as the consultant has or, at least, they propose to develop that expertise. In many organisations, these persons are called **Internal Resource Persons** (IRP), or facilitators.

Role of IRP:

❖ Identifies,

❖ prioritizes, and

❖ manages resources (e.g., people, systems, space, budgets, contracts) to foster productivity and deliver solutions.

❖ Articulates the functions and objectives of the organization and the relationship between own office and the larger organization.
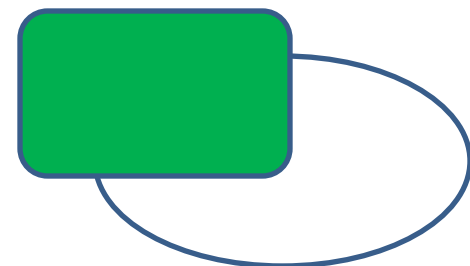
- A number of authors divide internal resources into homogeneous classes, such as, financial resources, physical resources (plant, machines and equipment), human resources, technological resources, reputation and organizational resources (for example, control management system, organizational climate.
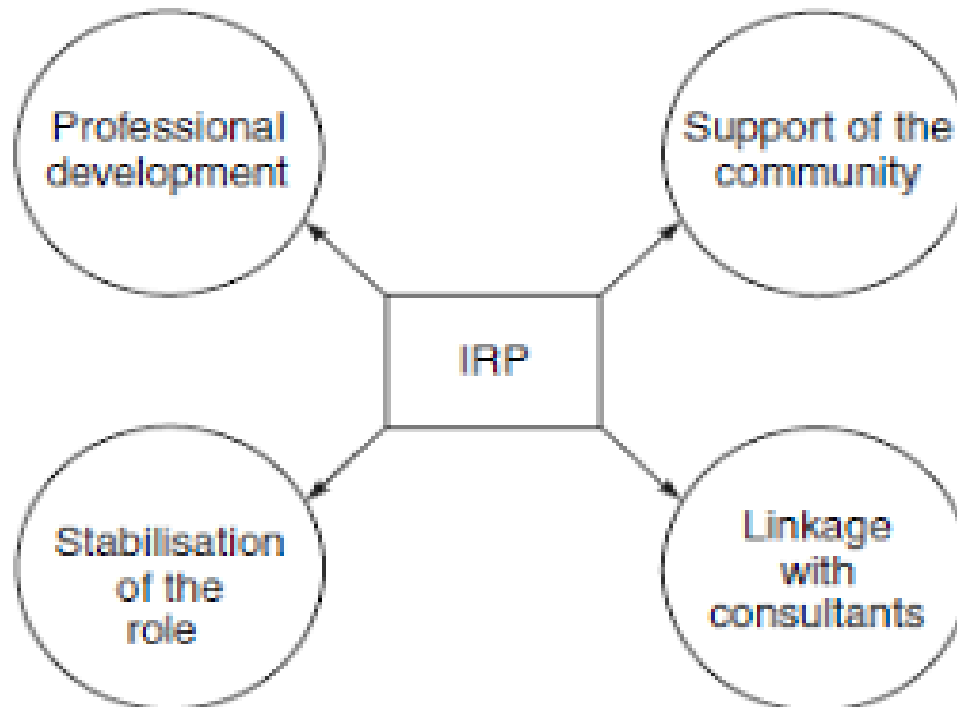
External Agents

An ***external agent*** is the first person, organization, or system identified in requirements. Typically identified during the very early scoping part of a project, external agents are those with which the business area interacts.

Role of external change agent

External change agents are fundamental to many implementation strategies. Often, the external change agent is the individual responsible for delivering the implementation strategy, and is thus largely responsible for fidelity to the intended strategy and its ultimate success in achieving desired organizational changes.
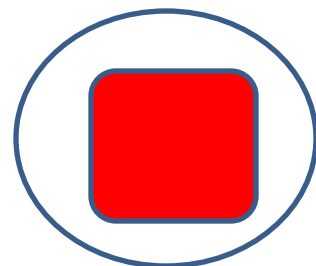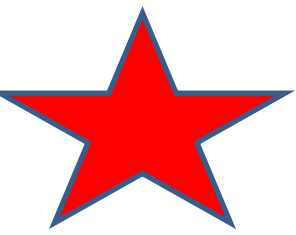
Organisational restructuring & reorganising work activities

What is organisation restructuring?

➢ Organisation restructuring is a corporate management term that broadly refers to a company doing one of the following:

➢ Changing its organizational structure, which can involve shifting direct reports to a different manager, reallocating resources to other parts of the business, etc.

➢ Changing its financial structure, which can involve selling assets, refinancing debt at lower interest rates, or even filing for bankruptcy.

Why do organisation reorganize?

There are as many reasons for company reorganization. The primary reasons for restructuring can include:
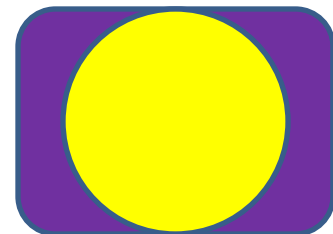
➤ Something is broken. If your organization isn't meeting its KPIs, if your processes or employees have become inefficient, or if there are essential tasks that aren't covered by any position, it may be time to consider a company restructure.

➤ Your company has merged with or acquired another organization.

➤ An employee in a key position has left, which leaves an opportunity to question the organizational structure.

➤ You want to make way for a new opportunity, such as launching a new product or capturing a new market.

➤ The needs of your customer base have changed.

➤ The organization has grown or is downsizing.

➤ Managers have too many direct reports.

Occasionally, companies choose to just undergo a department restructure, which means only a specific department will be affected by a reorganization.

When that happens, the company has identified problems or inefficiencies within just one department, but because a company is heavily interconnected, what affects one department often affects other departments. While it's certainly easier to reorganize a department, it's not uncommon for a company to overhaul its entire company structure in one fell swoop.

How to restructure an organisation or department?

- Start with your business strategy. …

- Identify strengths and weaknesses in the current organizational structure.

- Consider your options and design a new structure.

- Communicate the reorganization. …

- Launch your company restructure and adjust as necessary.

UNIT

3

To be discussed:

Organisational diagnosis:

Issues, concerns and the framework.

Diagnostic Methodology: – Planning, collection of

data and instruments.

Qualitative and Quantitative methods of diagnosis
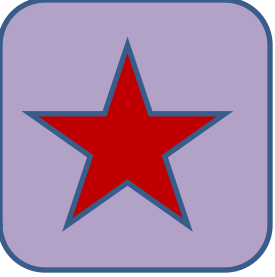
Organisational diagnosis

What is Organisational diagnosis?

Organizational diagnosis is a process based upon behavioral science theory for publicly entering a human system, collecting valid data about human experiences with that system, and feeding that information back to the system to promote increased understanding of the system by its members.

Organizational Diagnosis is an effective ways of looking at an organization to determine gaps between current and desired performance and how it can achieve its goals. Developing an organization is no different. With each iteration of a diagnostic process so new changes are identified and prioritized.

Why is Organisational diagnosis Important?

Performing organisational diagnoses on organizations can help us identify the human resources components of the organizations. From there, we are able to assess whether those human resource systems "fit" with the organisation's culture (or desired culture), strategy, and goals.

Before we can design a more effective organization, we have to understand the current one. We have to understand how it works, and identify the causes of problems. In other words, we have to come up with a "diagnosis" of the organisation. It's a critical part of any re-design effort.

How is Organisational culture diagnosed?

- Step 1: Review your stories. The stories that you tell provide clues to your existing **culture**.

- Step 2: Check on how your employees view you?

- Step 3: Observe behaviors of your employee

- Step 4: Discuss how people interpret the company values.
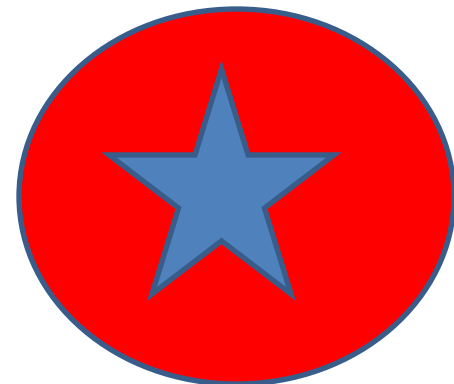
Purpose of Organisational diagnosis

The purpose of a diagnosis is to identify problems facing the organization and to determine their causes so that management can plan solutions. An organizational diagnosis process is a powerful consciousness-raising activity in its own right, its main usefulness lies in the action that it induces.

Issues of Organisational diagnosis

The 5 Most Common Problems of Organisational diagnosis

- ➢ Absence of clear direction. ...
- ➢ Difficulty blending multiple personalities into a cohesive and unified team. ...
- ➢ Failure to develop key competencies and behaviors. ...
- ➢ Poor communication and feedback. ...
- ➢ Lack of awareness.
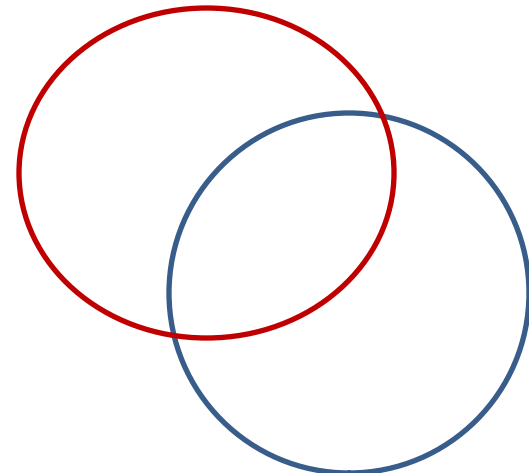
Issues of organisational diagnosis

These include:

- ❖ Enhancing the general understanding of the functioning of organizations (i.e. educational or research purposes.)

- ❖ Planning for growth and diversification.

- ❖ Improving Organisational Effectiveness or Planning General Improvements.

- ❖ Organizational Problem Solving

Organizational Diagnosis Process

Organizational diagnosis is a creative method for getting to
know an organization at all levels- from the surface levels to the
deepest hidden parts that aren't visible to the eye.
Performing organizational diagnosis is not so far off from a doctor
trying to diagnose their patients.

The diagnostic cycle:

- ❖ Orientation.
- ❖ Goal setting.
- ❖ Data gathering.
- ❖ Analysis/ Interpretation.
- ❖ Feedback.
- ❖ Action Planning.
- ❖ Implementation.
- ❖ Monitoring/ Measure.
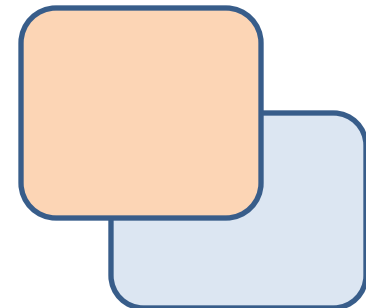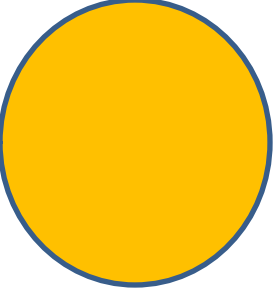
Organisational diagnosis framework

Knowledge is Power

A diagnostic model is a framework for identifying, analyzing and interpreting data in a given context to identify possible needs. The key here is "business diagnostic" Any diagnostic that only looks at people, style and people process and ignores BUSINESS PROCESSES, marketing and finance is not a business diagnostic.

Apply theoretical frames

1. Gather data to obtain comprehensive overview of operations. Focus data gathering on core problems and challenges.

2. Use theoretical frames to organize core problems and challenges and to link them to organizational features.

Develop a diagnostic model

3. Develop a model that captures the nature of critical challenges and roots of ineffective outcomes.

4. Feedback model and relevant data.

SOURCE: From *Organizational Diagnosis and Assessment* by M. Harrison and A. Shirom, 1999, p. 19, fig. 1.1). Reprinted with pemission of SAGE.
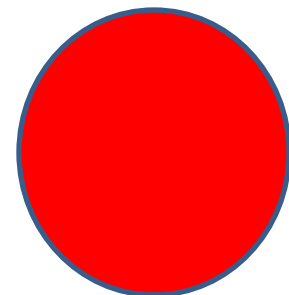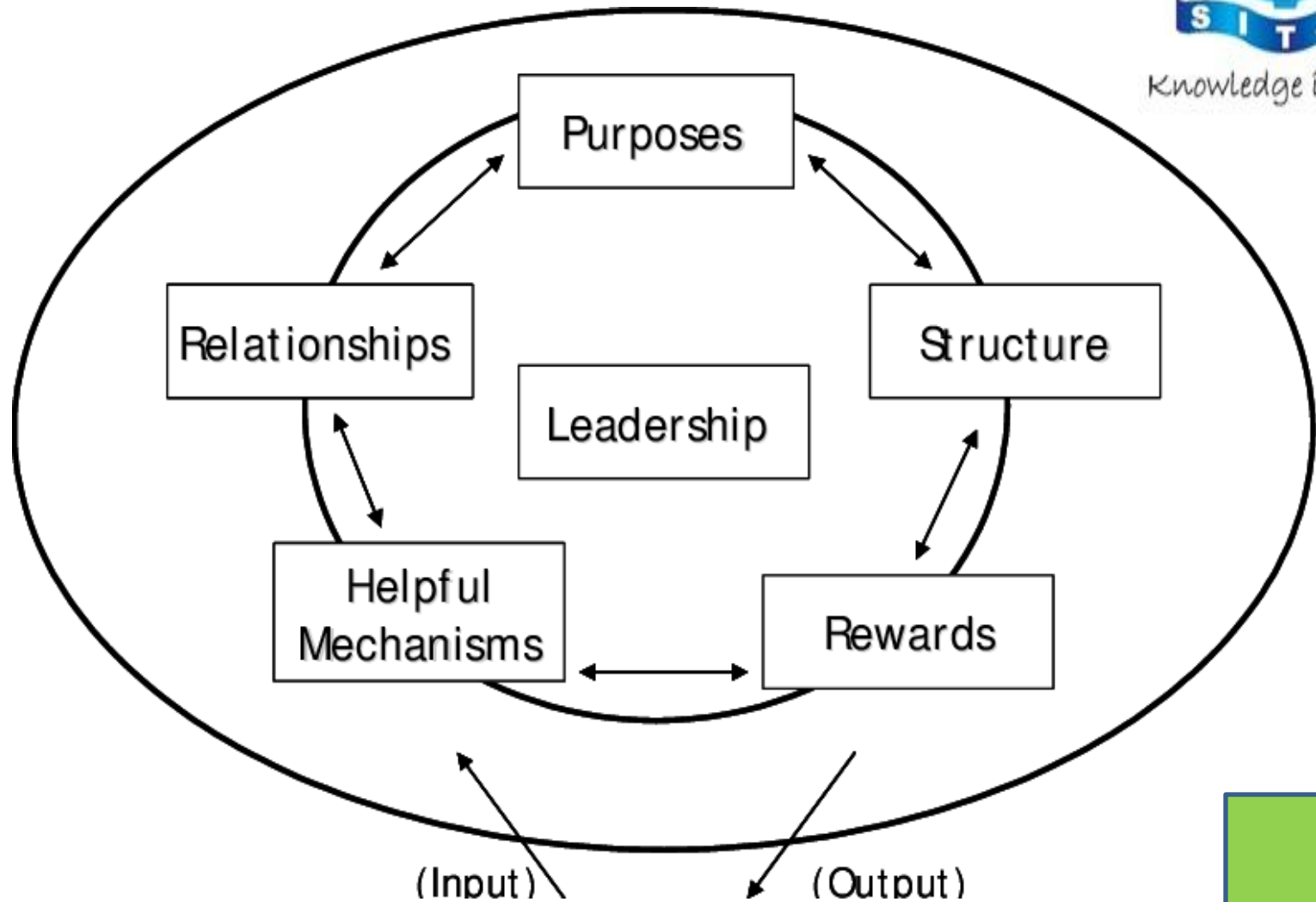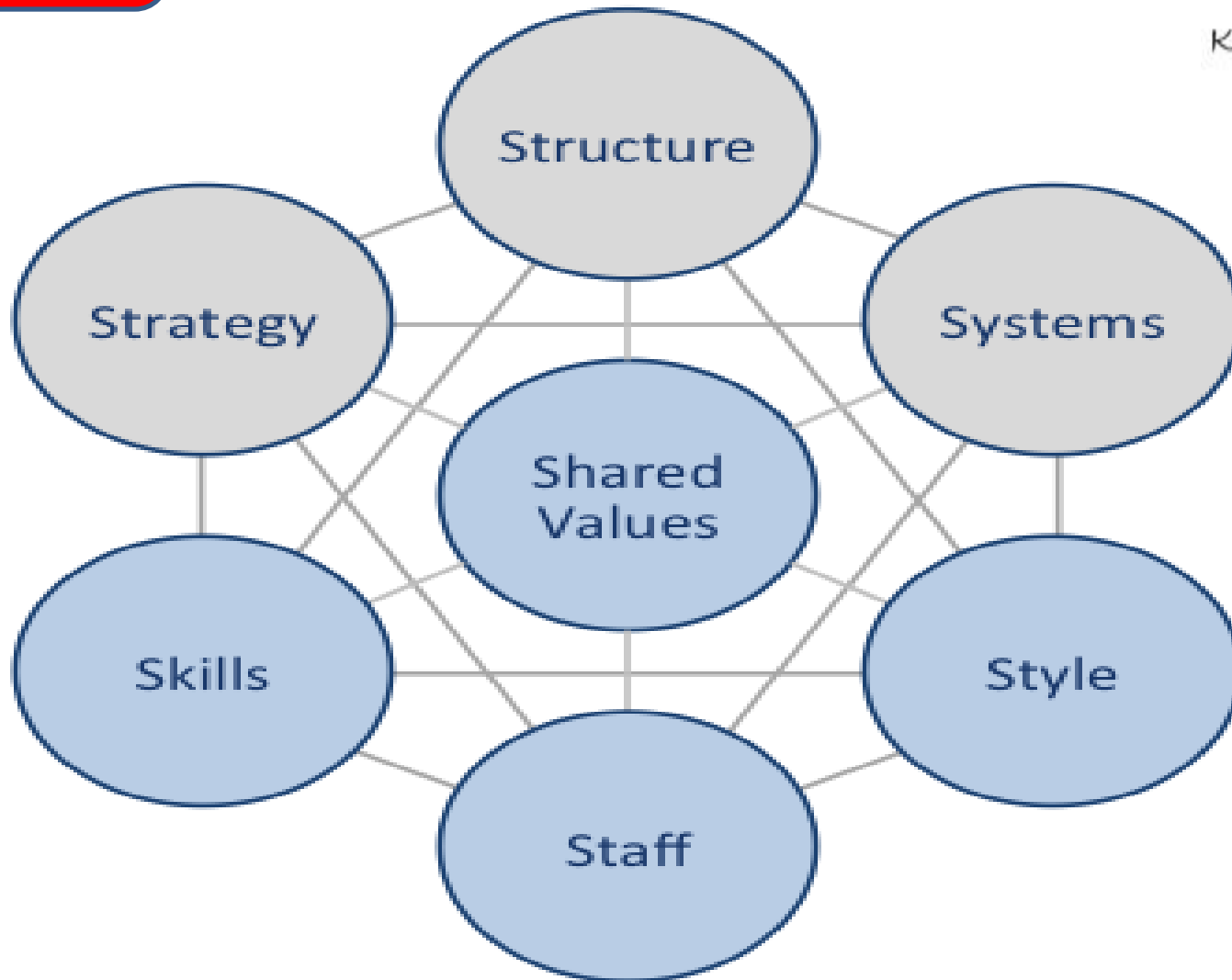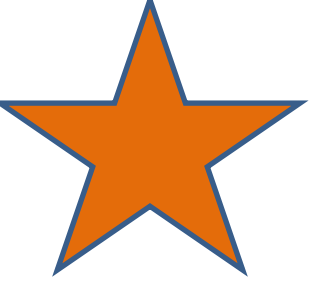
Weisbord's six box model

Mckinsey 7S framework

Weisbord's six box model

Purposes: Do organizational members agree with and support organization's mission and goals?

Structure: Is there a fit between the purpose and the internal structure of the organization?

Relationships: What type of relations exist between individuals, between departments, and between individuals and the nature of their jobs? Is their interdependence? What is the quality of relations? What are the modes of conflict?

Rewards: What does the organization formally reward, and for what do organizational members feel they are rewarded and punished? What does the organization need to do to fit with the environment?

Leadership: Do leaders define purposes? Do they embody purposes in their programs? What is the normative style of leadership?

*Helpful Mechanisms*: Do these mechanisms help or hinder the accomplishment of organizational objectives?

- *McKinsey 7s model.* is a tool that analyzes firm's organizational design by looking at **7** key internal elements: strategy, structure, systems, shared values, style, staff and skills, in order to identify if they are effectively aligned and allow organization to achieve its objectives. **(already discussed in unit -1**)

Levitt's Diamond model

Levitt presented a model which explains organizational change. Knowledge is Power
This model revolves around four components of organizational

 change and these elements are: structure, task, technology and people.
These four elements are interconnected and interdependent.
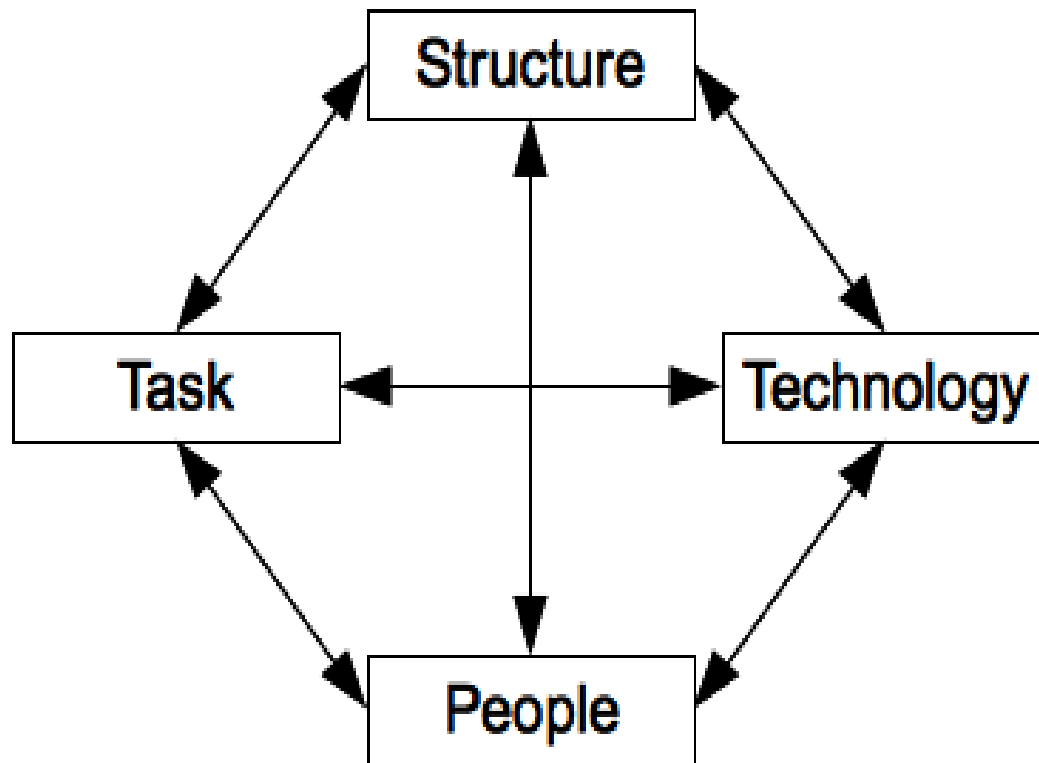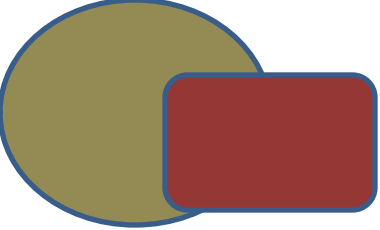
Levitt's model of OD

Tasks Identify your work unit's main tasks, including both

routine and key tasks. For example, if your work unit is a restaurant,

the key tasks could be taking orders, preparing meals, and serving meals. The routine tasks could be cleaning, setting tables, and so on.

People Define the "people" within your work unit. People are often the key consideration in any change initiative, because skill sets and staff attitudes greatly affect the success of change in any organisation.

Structure Determine how people are grouped within the work unit. In other words, what is your organizational structure? If we go back to our restaurant example, the structure could be defined in terms of waiters, chefs, managers, cleaners, and so on.

Technology Identify the technology that your work unit uses by making these two lists:

1. Key equipment and processes that enable and support your business functions, including computer systems, essential software, devices – anything that enables communication and work flow.

2. Tools you can use to implement the proposed change, including things such as seminars and training materials.

Diagnostic methodology

Project management methodology is a clearly defined combination of related practices, methods, and processes which determine how to best manage workload. It is a model for planning and achieving task goals. These start with help in planning, initiation and implementation, all the way to closure.

- *Planning* is a management process concerned with defining goals for a company's future direction and determining the resources required to achieve those goals. Managers may develop a variety of plans (business plan, marketing plan, etc.) during the planning process.
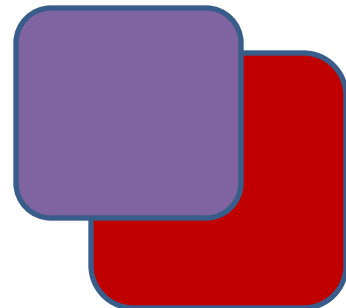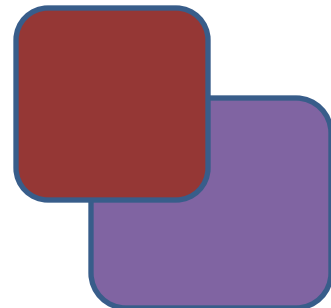
Steps of planning

The 5 Steps of the Strategic Planning Process

❖ Determine your strategic position.

❖ Prioritize your objectives.

❖ Develop a strategic plan.

❖ Execute and manage your plan.

❖ Review and revise the plan.

Types of Planning

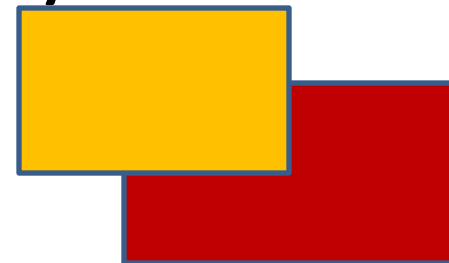❖ *Strategic planning*

❖ *Tactical planning*

❖ *Operational planning*

❖ *Contingency planning*

Strategic analysis is a process which is based on three stages:

➢ analysis,

➢ planning and

➢ management.

We can divide it into two types: function sense, and tool sense. In case of the function sense strategic **analysis** is a set of actions which diagnose both.

Tactical Planning

Breaking down a company's wider strategic plan into more short-term, specific and deliverable tactics. Tactical Planning is the process of breaking down the strategic plan into distinctive, short term plans.

Operational planning is the process of planning strategic goals and objectives to technical goals and objectives. ... An operational plan draws directly from agency and program strategic plans to describe agency and program missions and goals, program objectives, and program activities.
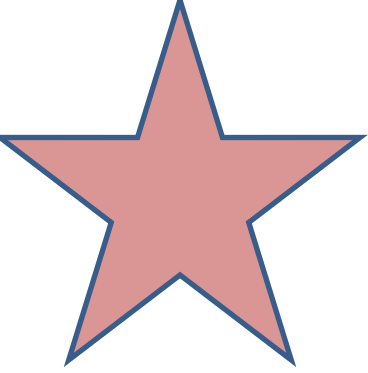
A ***contingency plan*** is a proactive strategy that describes the course of actions or steps the management and staff of an organization need to take in response to an event that could happen in the future. It plays a significant role in business continuity, risk management and disaster recovery.

The key elements of a contingency plan are
- ✓ **"protection,**
- ✓ **detection, and**
- ✓ **recoverability."**

Collection of data and Instruments

Data collection tools refer to the devices/instru ments used to collect data, such as a paper questionnaire or computer-assisted interviewing system. Case Studies, Checklists, Interviews, Observation sometimes, and Surveys or Questionnaires are all tools used to collect data.

Data may be grouped into four main types based on methods for collection:

➤ observational,
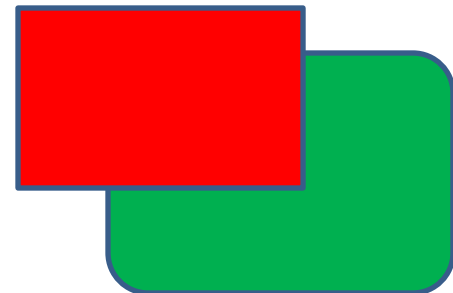
➤ experimental,

➤ simulation, and

➤ derived.

An observation is a data collection method, by which
you gather knowledge of the researched phenomenon through making observations of the phenomena, as and when it occurs. You should aim to focus your observations on human behaviour, the use of the phenomenon and human interactions related to the phenomenon.

The *four types of observational* roles we discuss here are based on the distinctions made by the sociologist Raymond Gold in 1958 but apply to any field of research.

- ❖ **Complete Observer.**
- ❖ **Observer as Participant.**
- ❖ **Participant as Observer.**
- ❖ **Complete Participant.**

- *Experimental research* is research conducted with a scientific approach using two sets of variables. The first set acts as a constant, which you use to measure the differences of the second set. Any research conducted under scientifically acceptable conditions uses experimental methods. ...

- A *simulation* is a computer model in which experiments can be conducted, creating a higher level of completeness than a normal experiment. **Simulation** models can assist in both complex and simple experiments, and they can be used with almost any social process.

- **Derived data** involves using existing data points, often from different data sources, to create new data through some sort of transformation, such as an arithmetic formula or aggregation. ... While this type of data can usually be replaced if lost, it may be very time-consuming (and possibly expensive) to do so.

Qualitative & Quantitative methods of diagnosis

The three major **techniques** used in gathering
the **quantitative** and **qualitative diagnostic** data are;

❖ in-depth interviews,

❖ evaluation of archival data, and

❖ questionnaire survey.

Several key findings on the organisational effectiveness of health promotion are outlined in the study.

One may also ask, what is diagnosis process in organisation
The purpose of a diagnosis is to identify problems facing the organization and to determine their causes so that management can plan solutions. An organizational diagnosis process is a powerful consciousness raising activity in its own right, its main usefulness lies in the action that it induces.

UNIT

4

To be discussed:

Interventions in organisational change:- Concept, types of intervention, sensitivity training, TA, role analysis techniques, role negotiation techniques, Myer's Briggs Type indicators (MBTI)

Evaluation of organisational change programmes – concept, rationale, the stake holders, components of evaluation, evaluation typology. Issues in planning and conducting evaluation.
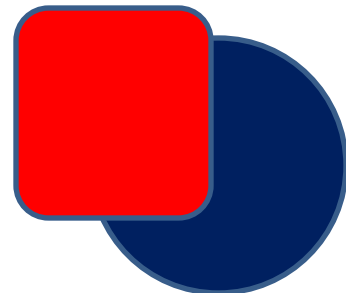
Knowledge is Power

Interventions in Organisational change

OD interventions are the techniques and methods designed to move an organization form 'here' to 'there' or 'from

where it is' to 'where it wants to be' the interventions are aimed at improving individual and team activities and efforts so that they may better accomplish their targets/ goals in accordance with the ...

A *change intervention* is defined as an organizational development action on the individual, group or overall organizational level that facilitates the implementation of a change initiative (Whelan-Berry and Somerville, 2010)

- Organizational development interventions stem from the study of organizational development itself. In basic terms, org development interventions are structured actions or activities that are designed to improve an overall organizational system or task performance.

Knowledge is Power

Techniques of intervention

Change Management Intervention Models:

- ❖ Establishing a sense of urgency.

- ❖ Creating the guiding coalition.

- ❖ Developing a vision and strategy.

- ❖ Communicating the change vision.

- ❖ Empowering broad based action.

- ❖ Generating short-term wins.

- ❖ Consolidating gains and promoting more change.
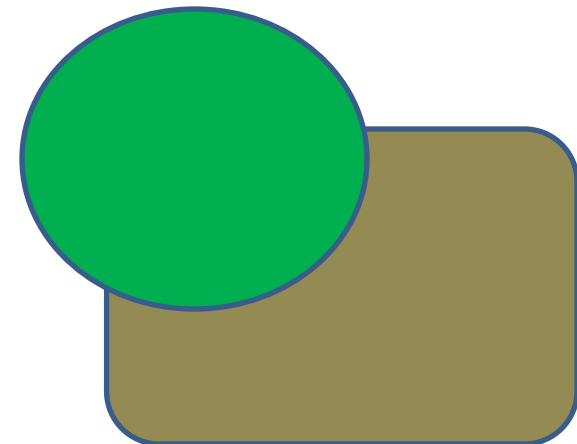
- ❖ Anchoring new approaches in the culture.
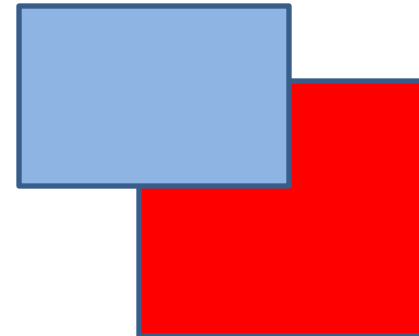
Types of Interventions

INTERVENTIONS USED IN ORGANISATION :

- ❖ Focus on Intervention
- ❖ Intergroup Intervention
- ❖ Personal, interpersonal, and group process intervention
- ❖ Comprehensive Interventions
- ❖ Structural Intervention
- ❖ MBO

The **Focused Intervention** program provides targeted therapy, usually in a one to one setting, in order to make gains in a specific area or goal.

Inter-group team building intervention intends to increase communications and interactions between work related groups to reduce the amount of dysfunctional competition and to replace a parochial independent point of view with an awareness of the necessity for interdependence of action calling on the best efforts of.
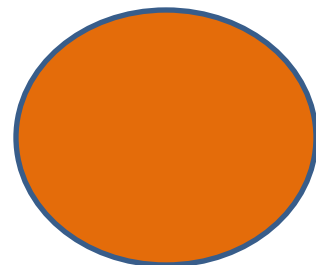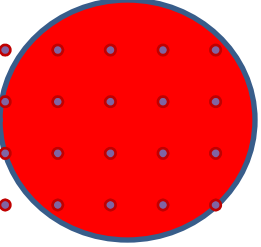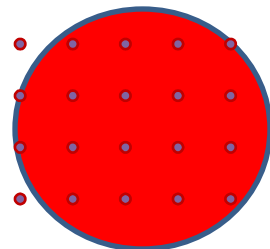
Interventions range from those designed to improve the effectiveness of individuals through those designed to deal with teams and groups, intergroup relations and the total organization.

Individual/personal interventions may include education, training, conditioning, exercises, stretching, and awareness.

Interpersonal interventions in an OD program are designed to enhance individual skills, knowledge, and effectiveness. This type of program utilizes group dynamics by gathering individuals together in loosely structured meetings.

Team development and group processes interventions aim at improving different aspects of a group performance, such as goal setting, development of interpersonal relations among team members, role clarification and analysis, decision making, problem solving, and communities of practice, among other.

The **Comprehensive Intervention** Model (CIM) is a well-coordinated, systemic and seamless design for providing for reversing the reading failures through layers of instructional interventions that combine differentiated classroom instruction and supplemental interventions within small group and one-to-one settings.

- **Structural interventions** work by altering the context within which health is produced or reproduced. Structural interventions locate the source of public-health problems in factors in the social, economic and political environments that shape and constrain individual, community, and social health outcomes.

Management by Objectives (MBO) is a strategic approach
to enhance the performance of an organization. It is
a process where the goals of the organization are defined and
conveyed by the management to the members of the organization.
Organizational structures with the intention to achieve each
objective.
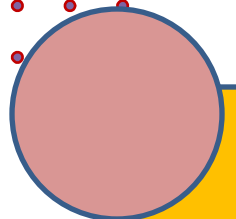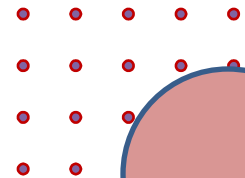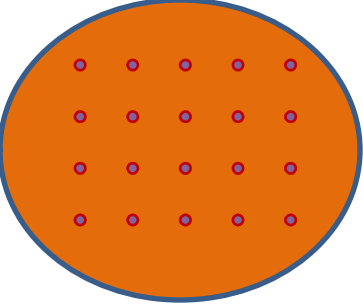
Training

Training refers to the teaching and learning activities carried on for the primary purpose of helping members of an organization acquire and apply the knowledge. Training gives everyone a great understanding of their responsibilities and the knowledge and skills they need to do that job. This will enhance their confidence which can also improve their overall performance.

Sensitivity training focuses on making employees aware of their attitudes and behavior toward others. ... As part of a long-term strategy, sensitivity training can increase employees' understanding of their role in creating a more equitable workplace for everyone.

Purpose of S.T

Sensitivity training, psychological technique in which intensive group discussion and interaction are used to increase individual awareness of self and others; it is practiced in a variety of forms under such names as T-group, encounter group, human relations, and group-dynamics training.

Sensitivity training is a type of group training that focuses on helping organizational members to develop a better awareness of group dynamics and their roles in the group. The training often addresses issues such as gender and multicultural sensitivity as well as sensitivity towards the disabled.(S.T. in Management)

Sensitivity Training Program requires the following steps:
- Unfreezing the old values -It requires that the trainees become aware of the inadequacy of the old values. ...
- Development of new values - With the trainer's support, trainees begin to examine their interpersonal behavior and giving each other feedback.

Training analysis

Training analysis is a process that a business goes through in order to determine all the training that needs to be completed in a certain period to allow their team to complete their job as effectively as possible, as well as progress and grow.

Several basic Needs Assessment techniques include:

- ❖ direct observation.
- ❖ questionnaires.
- ❖ consultation with persons in key positions, and/or with specific knowledge.
- ❖ review of relevant literature.
- ❖ interviews.
- ❖ focus groups.
- ❖ assessments/surveys.
- ❖ records & report studies.
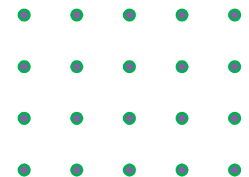
The *role analysis technique* intervention is designed
to clarify role expectations and obligations of team
members to improve team effectiveness. In an organisation,
individuals fill different specialised roles in which they
manifest certain behaviours.

The Role negotiation technique is an imposed structure for
controlled negotiations between two or more parties in which
each party agrees in writing to change certain behaviours in
exchange for changes in behaviour by the others. The
behaviours are job related.

Myers-Briggs type indicator

The ***Myers–Briggs Type Indicator (MBTI*)** is an intro-

spective self report questionnaire indicating differing psychological preferences in how people perceive the world and make decisions. The test attempts to assign four categories: introversion or extraversion, sensing or intuition, thinking or feeling, judging or perceiving.

The four categories are Introversion/Extraversion, Sensing/Intuition, Thinking/Feeling, Judging/Perceiving. Each person is said to have one preferred quality from each category, producing 16 unique types.
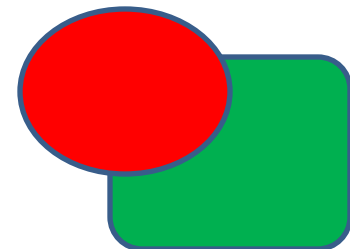
Evaluation of organisational change programme

Organizational evaluation "measures, compares and analyses the coherence between results and specific objectives and between

specific objectives and general objectives of institutional projects, programmes or plans"

Much of the development work emphasised project team **organisation** and the involvement of all levels of employees. We will be concerned with the **evaluation** of the **change** pro- gramme undertaken within this department. A number of factors must be taken into account if an **evaluation** of the **programme** is to be constructed.

 How To Evaluate Change in Management Process?

Clarify And Reevaluate Your Objectives. First things first, make sure your training objectives still align with the company post-**change**. ...
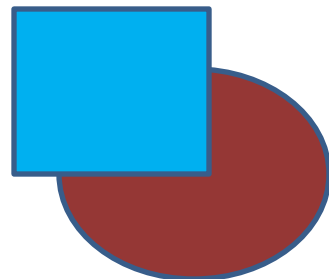
Collect eLearning Feedback From Employees. ...

Evaluate LMS Metrics. ...

Get Input From Team Leadership. ...

Pre-**Assess** To Pinpoint Gaps. ...

Hire An Outsourcing Partner For Training Needs Analysis.

How do you evaluate change

- *The 5 Step Journey to Evaluating Change*
- ➤ Establish our Vision of the Future. ...
- ➤ Execute a Cost/Risk/Benefit Analysis. ...
- ➤ Evaluate the Probability of Success. ...
- ➤ Identify Your People Factors. ...
- ➤ Evaluate Timing.

  How do you evaluate effectiveness in change management?

  According to Prosci, this can include:
- ➤ Employee readiness assessment results.
- ➤ Employee engagement, buy-in, and participation measures.
- ➤ Communication effectiveness.
- ➤ Employee feedback.
- ➤ Employee satisfaction survey results.
- ➤ Training participation, tests, and effectiveness measures.
- ➤ Usage and utilization reports.
-
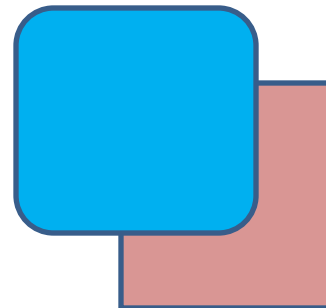
Why it is important to evaluate and review progress

During a change management programme?

It helps determine exactly when a programme is on track and when changes may be needed. Monitoring and evaluation forms the basis for modification of interventions and assessing the quality of activities being conducted. Monitoring and evaluation helps with identifying the most valuable and efficient use of resources.

Elements of an Evaluation Plan

➢ Purpose of the Evaluation.
➢ Evaluation Questions.
➢ Evaluation Criteria.
➢ Timetable and Work Plan.
➢ Collecting Data for an Evaluation.
➢ Data Collection Methods To Answer Evaluation Questions.
➢ Data Collection Tools and Activities.
➢ Data Analysis.
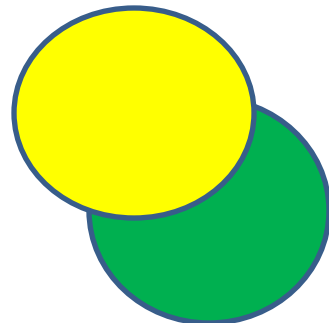
Evaluation typology

Types of evaluation

❖ Formative Evaluation.

❖ Process Evaluation.

❖ Outcome Evaluation.

❖ Economic Evaluation.

❖ Impact Evaluation.

❖ Summative Evaluation.

❖ Goals-Based Evaluation.

Issues in planning and conducting evaluation

➢ Challenge 1: Poor Planning. Failing to plan for just about anything usually results in poor outcomes, and the same is true when you're conducting an evaluation.

➢ Challenge 2: Lack of Readiness.

➢ Challenge 3: Ineffective Approaches.

➢ Challenge 4: Bad Questions.

➢ Challenge 5: Bad Data. ...

➢ Challenge 6: Too Much Data
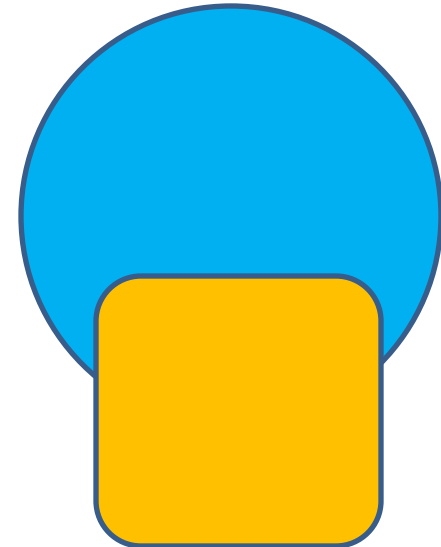
Monitoring and Evaluation

lack of experience;

limited financial and staff resources;

gaps in technical knowledge with regard to defining performance indicators, the retrieval, collection, preparation and interpretation of data; and.

inefficient monitoring and evaluation practices.

UNIT

5

To be discussed:-

Managers as change agents:-

internal and external change agents,

steps to successful change managements-the case of power sector in odisha

Managers as change agent:

To bring about any change in the organization needs a
change agent. ... He is a professional change agent whose
services can be hired for the purpose. Change agent may be
internal i.e. from within the organisation. Most probably he is
the manager who knows the needs of the organisation.

What is a change agent in Management?

The individual or group that undertakes the task of initiating
and managing change in an organization is known as a change
agent. Change agents can be internal, such as managers or
employees who are appointed to oversee
the change process. Change agents also can be external, such as
consultants from outside the firm.

•

Seven Roles of a Change Agent

- Investigate. Implementing change is rarely as straight
- forward as executing obvious activities.
- Advocate. Every organizational change needs someone who speaks up in favor of it and keeps attention on it. ...
- Encourage. ...
- Facilitate. ...
- Mediate. ...
- Advise. ...
- Manage.

The Five Roles of Managers and Supervisors

Communicator: Communicate with direct reports about the change. *Advocate*: Demonstrate support for the change. *Coach*: Coach employees through the change process. **Liaison**: Engage with and provide support to the project team.

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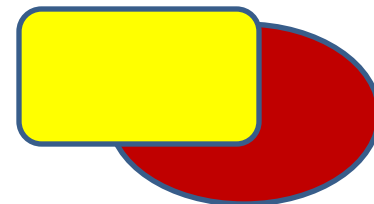
Internal & External change agent

change agents are usually the managers who are trained by the consultants (external change agents) to implement change as an ongoing process. They introduce change within the broad framework of change strategy devised by the external change agents. They also lead the members to implement the change process.

Internal forces of change arise from inside the organization and relate to the internal functioning of the organization. They might include low performance, low satisfaction, conflict, or the introduction of a new mission, new leadership.

Who can act as internal change agent?

 Although a change agent can come from various positions within or outside an organization, a successful change agent is generally one who is well-respected by the individuals impacted by the organizational change, and one who is well-informed about the various facets of the project, the organization and the individuals ...

The biggest benefit of the internal change agents is the wide knowledge they possess on their respective organizations. Unlike external change agents, internal change agents are limited by ideas and approaches for making a change, but they summate a different kind of impact in the management

External Change Agent: The external change agent is the one who is brought to the organization from outside such as consultants. The company's rules regulations and policies are not imposed on them, and so they can deeply analyze and bring different viewpoints to a situation and challenge the existing state of affairs.

External forces are those changes that are part of an organization's general and business environment. There are several kinds of external forces an organization might face: Demographic. A changing work demographic might require an organizational change in culture.

Difference between both the agents:

External change agent only outlines the **change** process. ... An **internal change** agent works for the implementation of the **change** process as well.
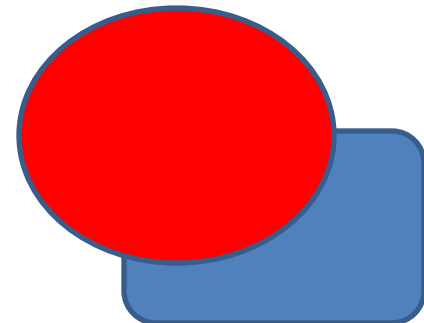
Steps to successful change

Five steps to successful change

1) Acknowledge and understand the need for change. The first step in any change is acknowledging and understanding the need for change. ...

2) Communicate the need and involve people in developing the change. ...

3) Develop change plans. ...

4) Implement change plans. ...

5) Evaluate progress and celebrate success.

5 key elements of change management

❖ Smooth Approval Processes. Approval status issues play a key role in ensuring smooth change operations. ...

❖ Process Automation. Change success depends on being able to move processes from one user to another without delay, disruption or confusion. ...

❖ Governance Tools. ...

❖ Data Access. ...

❖ CAB Functionality.

Successful change formula involve;

(1) vision,

(2) benefits,

(3) sponsorship,

(4) resources and

(5) methodology.

If any of these five ingredients are left out, the outcome won't taste all that great. For example, if aligned vision is lacking confusion sets in quickly. The key word being aligned.

Change management is defined as the methods and manners in which a company describes and implements change within both its internal and external processes. ... Effective communication is one of the most important success factors for effective change management.
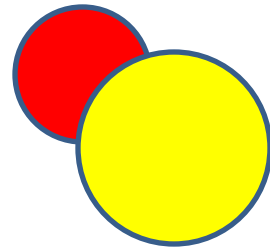
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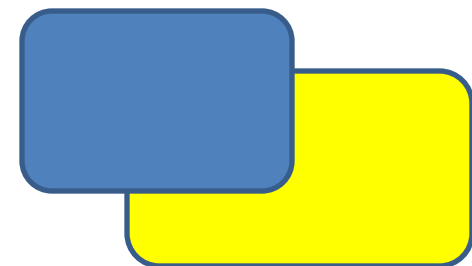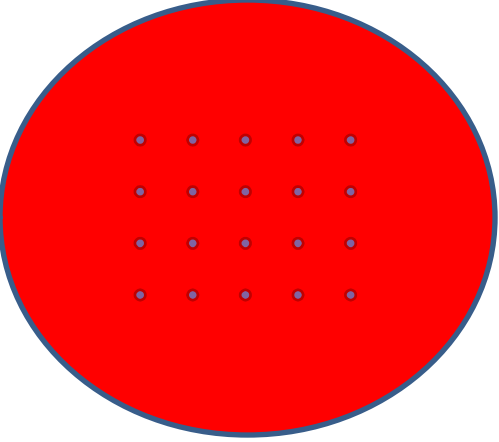### The Four Principles of Change Management

- Understand Change.
- Plan Change.
- Implement Change.
- Communicate Change.

5 Steps in the Change Management Process

- Prepare the Organization for Change. ...
- Craft a Vision and Plan for Change. ...
- Implement the Changes. ...
- Embed Changes Within Company Culture and Practices. ..
- Review Progress and Analyze Results.

THANK YOU