

Organisational change and development

Introduction

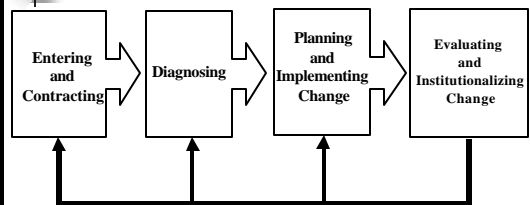
- Why OD?
 - Technological revolution
 - Foreign competition
 - Mergers, acquisitions
 - Consumer demand
 - Globalisation
- How to survive?
 - Organisation Development

What is OD?

Organization development is a long-term effort, led and supported by top management, to improve an organization's visioning, empowerment, learning and problem-solving processes, through an ongoing, collaborative management of organizational culture —with special emphasis on the culture of intact work teams and other team configurations— utilizing the consultant-facilitator role and the theory and technology of applied behavioral science, including action research".

French & Bell, 1999

General Model of Planned Change



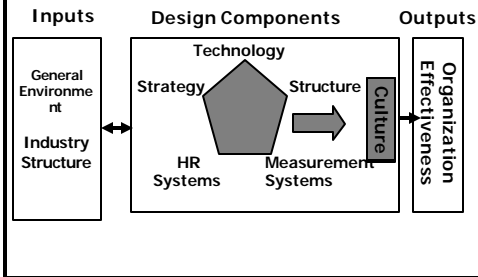
Entering and Contracting

- Entering an OD relationship
 - Clarifying issues
 - Collecting preliminary data
 - Preliminary diagnosis
- Determining relevant client
- Selecting an OD practitioner
- Developing an OD contract
 - Mutual expectations
 - Energy and resources
 - Ground rules

What is organisational diagnosis?

- It is the collaborative process between organisational members and the OD consultant to collect pertinent information, analyse it, and draw conclusions for action planning and intervention.

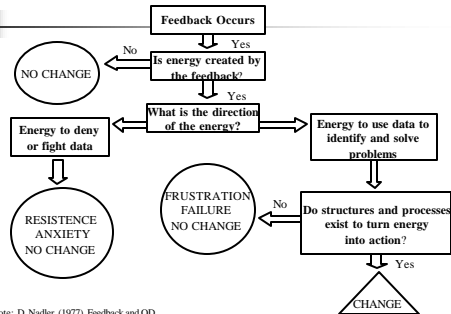
Organization-Level Diagnostic Model



Goals of Data Collection

- Valid information about org. functioning
- Rally energy for change
- Develop collaborative relationship

Possible Effects of Feedback



What is an intervention?

- An intervention is a set of sequenced and planned actions or events intended to help the organization increase its effectiveness.
- Interventions purposely disrupt the status quo.

Characteristics of Effective Interventions

- Is it relevant to the needs of the organization?
 - Valid information
 - Free and Informed Choice
 - Internal Commitment
- Is it based on causal knowledge of intended outcomes?
- Does it transfer competence to manage change to organization members?

Effective interventions are:

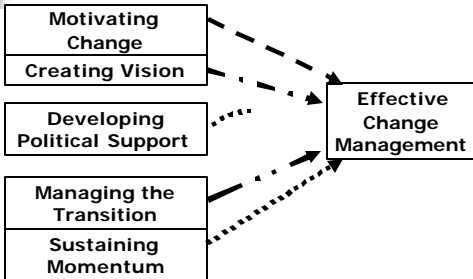
- Based on valid information re. the organisation's functioning
- Provides opportunity for members to make free and informed choice
- Gains members internal commitment to these choices

How to design effective interventions?

Design factors:

- **Contingencies Related to the Change Situation**
 - Readiness for change
 - Cultural context
 - Capability to change
 - Capabilities of the Change Agent
- **Contingencies Related to the Target of Change**

Change Management Activities



Motivating Change

- **Creating Readiness for Change**
 - Sensitize the organization to pressures for change
 - Identify gaps between actual and desired states
 - Convey credible positive expectations for change
- **Overcoming Resistance to Change**
 - Provide empathy and support
 - Communicate
 - Involve members in planning and d.m.

Creating a Vision

- **Discover and Describe the Organization's Core Ideology**
 - What are the core values that inform members what is important in the organization?
 - What is the organization's core purpose or reason for being?
- **Construct the Envisioned Future**
 - What are the bold and valued outcomes?
 - What is the desired future state?

Managing Political Support

- **Assess Change Agent Power**
- **Identify Key Stakeholders**
- **Influence Stakeholders**

Managing the Transition

- **Activity Planning**
 - What's the "roadmap" for change?
- **Commitment Planning**
 - Who's support is needed, where do they stand, and how to influence their behavior?
- **Management Structures**
 - What's the appropriate arrangement of people and power to drive the change?

Sustaining Momentum

- **Provide Resources for Change**
- **Build a Support System for Change Agents**
- **Develop New Competencies and Skills**
- **Reinforce New Behaviors**
- **Stay the Course**

Indicators of institutionalization

- **Knowledge**
- **Performance**
- **Preferences**
- **Normative Consensus**
- **Value change**

Degrees of institutionalization



Knowledge
Performance
Preferences
Normative consensus
Value change

Final Exam Questions

Please note that several multi-choice questions will be reviewed in class, some of which will appear in the final exam