Organizational Design Change and Transformation
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Module - 05
Lecture - 25
Organizational Change

[FL]. We will continue with our discussion on Organizational Change and this is a week 5 or module 5 and lecture 5.

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This is a concluding lecture on this topic. In the previous classes, we have spoken about organizational change, the targets of change, the forces of change, the barriers and resistance to change. We have spoken about types of change, the process of change, the stages for commitment to change, how do you manage plan change, change agents.

And we have also been discussing the various approaches to managing organizational change. In this lecture, we shall be continuing with our discussion on the approaches to managing organizational change and then we will conclude with contemporary change issues.
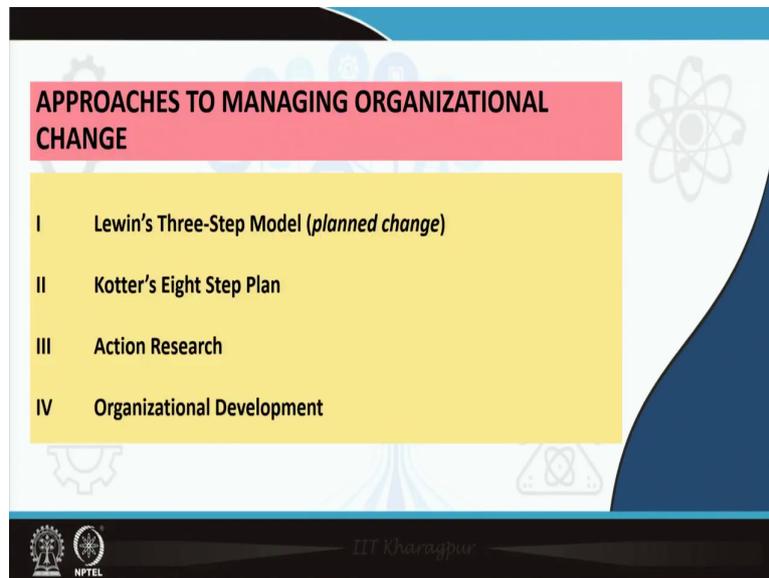
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So, if you recall we have spoken about four different approaches to managing organizational change, Lewin's Three-Step model, or Kotter's Eight Step plan, action research and organizational development. We were you know discussing OD as one of the approaches to organizational change.

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And we have discussed a couple of interventions in OD like you know we have discussed process consultation, survey feedback, sensitivity training, we have discussed team building and intergroup development and inter departmental activities.

Now, we move to the next intervention technique which is appreciative inquiry. Now, appreciative inquiry you know again is one of the intervention techniques which aims at identifying this, the you know which aims at you know understanding oneself and the organization better. And, and it gives a different approach to managing planned change.

It aims at identifying the distinctive strengths, the qualities and capabilities of an organization which can be actually used to bring about organizational growth and enhance organizational performance. So, instead of focusing on group problems it basically focuses and you know people's attention on the groups potential and positive elements and the

capability of the organization and the potential of the organization for improving overall performance.

So, in a way it is you know the difference between the you know appreciative inquiry and other techniques which we have done till now is, that while those techniques dealt more with awareness about self and about you know others in the group or about others other or the groups about other departments.

Here, the objective is to basically gain an awareness and understanding about the organization about its strength, about its capabilities, about you know its qualities and about how these strengths qualities and capabilities can be used to enhance organizational growth and performance.

So, instead of focusing on the individual and the group and their problems this actually focuses more on the, you know on making people realize about organizational capabilities and the potential for improving performance. So, instead of focusing on group problems it focuses on people's attentions on the group potential and the positive elements and the organizations, capabilities and potentials for improving performance. So, it basically comprises four steps discovery, dreaming, design and destiny or deliver.

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Source. McShane, S. L. and Von, G. M. A. Y. (2008). Organizational Behavior. Boston: McGraw-Hill Irwin.

So, we will look at this you know as the four stages a four steps, where the first stage is discovery the step involves identifying the positive aspects of the organization, what are the positive aspects of the organization and it aims as assessing what people perceive as the strengths and qualities of the organization. It so, it answers the question what is.

So, it is discovering the best of what is it is making people realize and you know assess and realize what you know the strengths and qualities are. So, it is the step which involves identifying the positive aspects of an organization and it aims at assessing what people perceive as their strength, as their capabilities, as their qualities and it answers the question what is.

The second step is dreaming. Now, based on the findings of the first step that is based on realizing about the strengths that the capabilities and the potential you know based on that the

future of the organization is speculated and hence this step is called as dreaming. So, based on the findings of the first step regarding the strengths, the competencies, the qualities, the potential you know and the capabilities of the organization.

Based on that the next step you know you know deals with you know what the future of the organization could be. So, based on the findings of the first step the future of the organization is predicted or is speculated and it this answers the question what might be. The third is designing based on the dream, based on the dream the participants in the process try to develop a vision for the organization and they come up with a statement on the very unique qualities of the organization. So, what should be?

So, the design stage involves in you know in you know engaging people getting engaged in a dialogue about what should be and then there is the fourth stage of delivery of oblique destiny, the where the participants discuss as to how the organization would fulfill its dream and purpose and they propose actions, plans and implementation strategies. So, the that answers the question what will be ok.

So, it the basically the appreciative inquiry technique comprises these four steps of discovery, dreaming, designing and delivering where in discovery they are basically trying to discover the distinctive strengths, the qualities and capabilities of the organization and they are discovering that and then and based on that you know it is going to answer the question what is.

Based on discovery the next step is dreaming where you know whatever has been found out in the first stage as strengths, qualities, capabilities based on that the future of the organization is speculated. So, it is about forming ideas about what might be in the future.

The third is designing where based on the dream or based on the second findings of the second step the participants try to you know try to try to arrive at a vision for the organization and as and they come to an agreement on the very unique qualities answering what should be.

And then finally, is the stage of delivery of or destiny where the participants discuss as to how the organization would fulfill his dream and what the action plans could be and what could be implementation strategy. So, it answers the question what will be ok.

So, through these four stages the you know the people are able to understand you know the strengths, the qualities and capabilities of the organization which can be taken forward which can be used to foster organizational growth and enhance organizational effectiveness.

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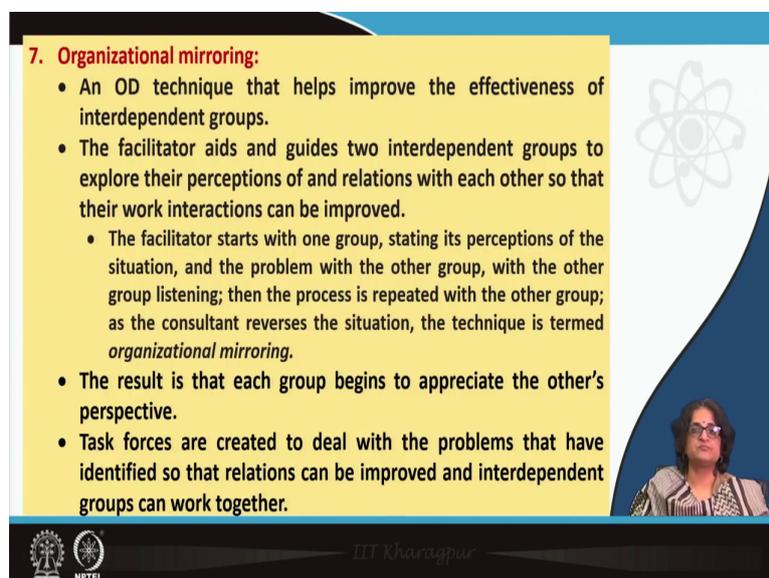
The next OD technique is organizational mirroring. So, it is a technique which helps improve the effectiveness of interdependent groups. The facilitator or the moderator aids and guides two interdependent groups to understand their perceptions of and relations with each other.

So, that their work interactions can improved so that relationship between the two groups can improve.

So, the facilitators starts with one group stating the perceptions of the you know stating its perceptions of the situation and the problem with the other group and the group listens then the process is repeated with the other group where the other group speaks and the first group listens.

And because the moderator or the consultant reverses the situation that first one organization, I mean first one group or department speaks his or her point of view and the then the other follows on because of this reversal of the situation because the consultant reverses the situation the technique is called organizational mirroring.

So, the result is that each group begins to appreciate each others perspective they understand each others you know resources, constraints, roles, responsibilities, power dynamics and so they able to work better. So, the task forces are created to deal with the problems that have been identified by the both the groups. So, that you know these problems can be overcome and the relations can be improved and the interdependent groups can work together.

So, in organizational mirroring one group speaks his or her perspective, the problems, the resources, the constraints, the roles, responsibilities, the power dynamics and then the other group speaks and. So, because the first one group speaks and other listens and the then subsequently the other speaks and the first one listens.

So, that is why it is as the roles are reversed it is called organizational mirroring whatever problems are identified you know are resolved through task forces. So, that the problems can be solved and the interdependent groups get to know understand each other better and the groups can work together the relations between the two groups can be improved then they can work together.
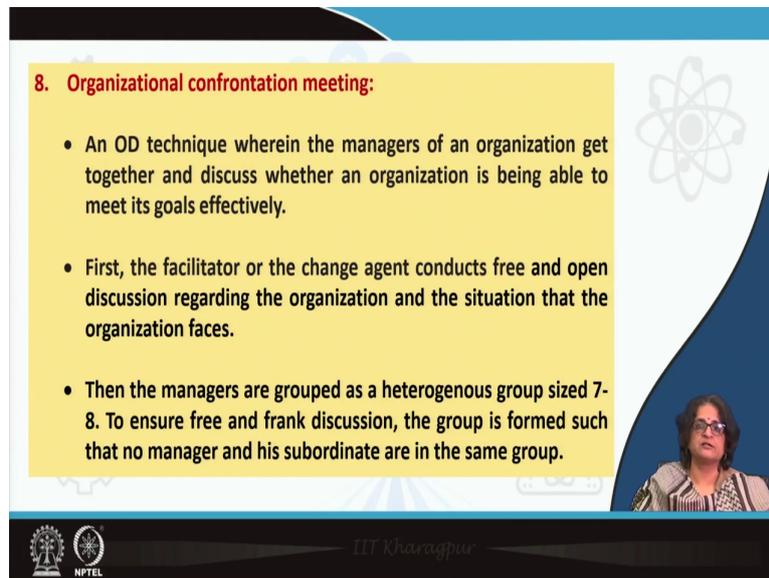
The next is organizational confrontation meeting. Now, you know in this is a technique which is used you know wherein the managers of an organization they get together and discuss whether the organization is going to be able to meet the goals effectively or not.

So, first the change agent or the facilitator conducts free and open discussion regarding the organization and the and the problems we faced by the organization. Then the managers are grouped as a heterogeneous group sized 7 to 8. To ensure free and frank discussions the groups is formed such that no manager and is subordinate are in the same group.

And then through such you know communication and through such interaction you know the groups you know like the heterogeneous group within that group there are people who are

going to interact with each other and similarly in another group there are people going to interact with each other.

They will discuss you know what problems you know what are the problems with the organization is facing and what are the problems which you know which need to be resolved. So, this kind you know of free and frank discussion is possible and is encouraged and to so, that there is no fears or no hindrances.

It is ensured that in a particular heterogeneous group no two members are such that they are superior subordinate. So, the facilitator conducts tries to conduct a free and fair discussion free and open discussion regarding the organization and the situation that the organization faces and then he groups these managers into heterogeneous groups of 7 to 8.

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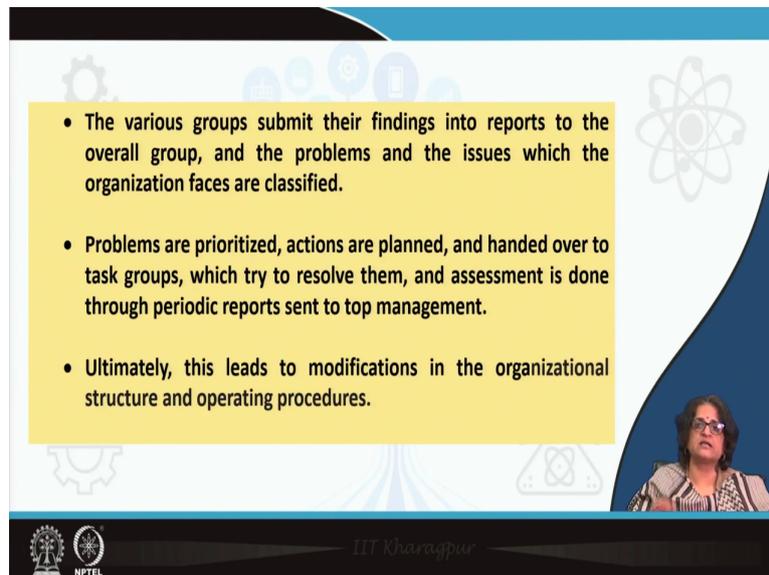
And within the group they discuss and they submit their findings into reports to the overall groups and problems and issues which the organization faces are classified. In the sense that there are few groups every group comes up with a set of problems which the organization is facing set of you know issues that need to be taken care of.

And so, the problems are prioritized actions are planned and handed over to the task groups and the task groups try to resolve them and periodic assessment is done through reports sent to the top management and ultimately all of this leads to modification in the organizational structure and in the operating procedures you know.

And so, through an open discussion first and then through discussions in heterogeneous groups cross functional groups you know a problems are identified and then shared with everybody every group identifies problems and they share it with the group with the overall you know group overall organization and the problems.

And issues which the organization faces are classified they are prioritized task forces; task force forces take care of the problems they try to resolve them periodic reports are shared with the top management and with the organization and through all this through all of this problems which are being faced by the organization are resolved and or minimized and this ultimately leads to modifications in the organizational structure and in the operating procedures.

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Now, we come to the contemporary change issues and here we will be discussing four of these which is continuous improvement processes, process reengineering, stimulating innovations and learning organizations.

So, the first as the name goes continuous improvement processes you know it means that organizations must be involved in continuous and constant change. So, continuous improvement processes required, require a constant change emphasis is laid on you know continually reducing the variability in the organizational processes.

So, this leads to efficiency it minimizes costs and it raises the quality and leading to customer satisfaction. So, emphasis is laid on reducing the variability in the organizational processes which leads to standardized outputs cost get reduced there is efficiency and this raises quality leading to customer satisfaction the employees must constantly improve and excel and that is one of the fundamental tenets of continuous improvement.
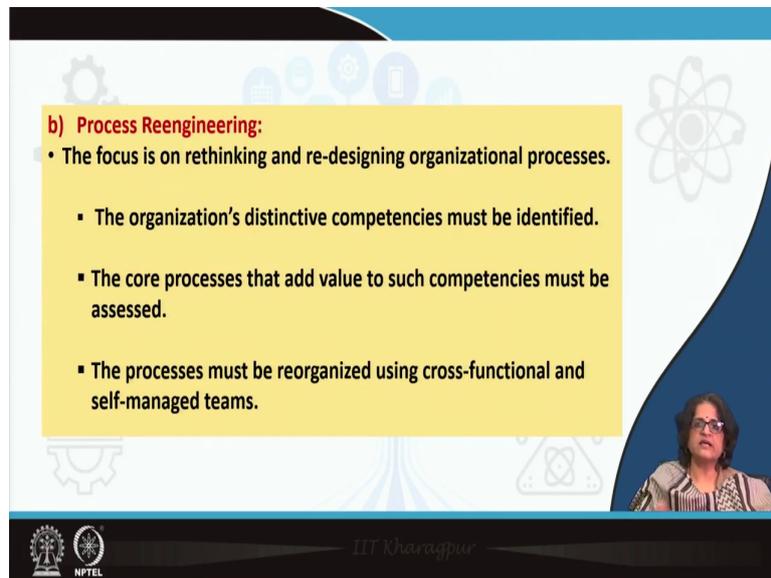
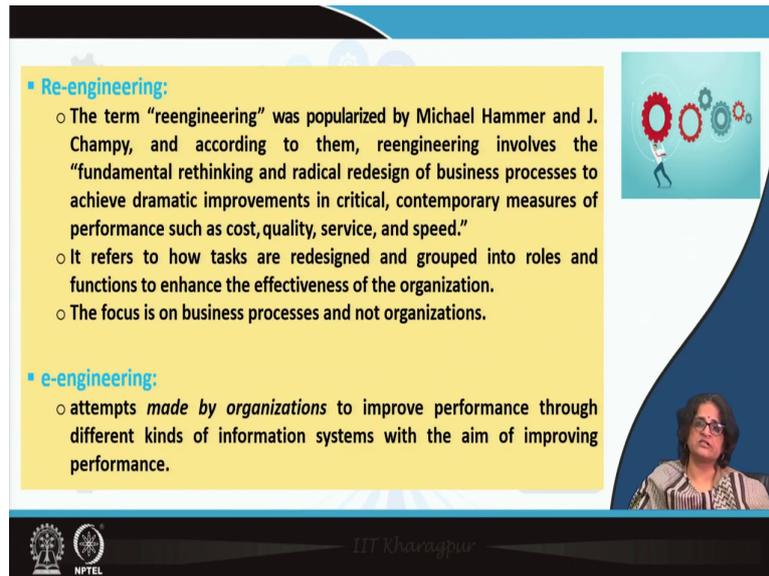The second is a process reengineering when we talk of process reengineering the focus is on rethinking and redesigning organizational processes and the organizations distinctive competencies must be identified the core processes which add value to such competencies must also be assessed and the process must be reorganized using self managed teams and cross functional teams.

So, in process reengineering the focus is on rethinking and redesigning organizational processes we start with identifying the distinctive competencies and then and the core processes that add value to such competencies must be evaluated and the processes must be reorganized. So, using self managed teams and cross functional teams.

Now, this for why we are discussing reengineering we would also when we are discussing you know process reengineering, we will also spend some time discussing about re-engineering and e-engineering. So, the term reengineering was popularized by Michael Hammer and J Champy.

And according to them, it involves the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical contemporary measures of performance such as cost quality service and speed. So, Champy and Hammer, they said that reengineering involves fundamental rethinking and radical redesign of business processes.

So, that they can be improvements in critical contemporary measures of performance and reengineering refers to how tasks are redesigned and grouped into roles and functions to increase the overall effectiveness of the organization. So, the focus is on the business process and not the organization the focus is on the process.

Coming to e-engineering attempts are made by organizations to improve their performance through different kinds of information systems you know electronically digitally with the aim of improving performance is e-engineering. So, attempts made by organizations to improve performance through different kinds of you know information systems you know is actually e-engineering.

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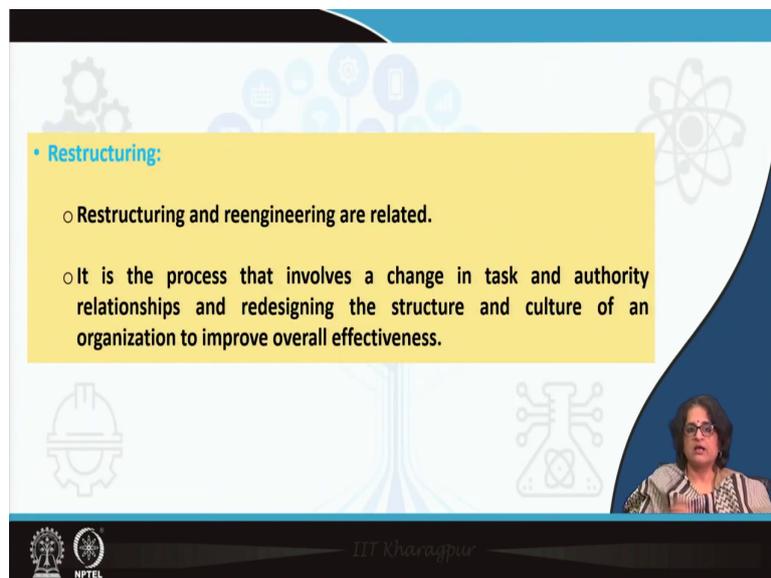
We will also like to talk about restructuring and reengineering are related and restructuring is the process that involves a change in the task and authority relationships and it is redesigning the structure and the culture of the organization to enhance the organizational effectiveness you know or to improve the overall effectiveness.

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The next is stimulating innovations. So, new ideas must be applied to improve existing products processes or services or to introduce new product processes and services. So, new ideas must be applied to improve and or introduce product processes or services and leaders in organizations which promote innovation encourage their employees to experiment they reward success they are also tolerant to failures.

Managers have to understand that they must have a tolerance for failure they must have a tolerance for mistakes because if they lack in that nobody would be willing to try out anything new nobody would be willing to you know innovate. So, managers understand managers must understand that failures are a natural byproduct of trying the new or trying the unknown and they must have a tolerance for mistakes.

Organizational leadership culture and climate also must encourage creativity, they must encourage innovation and idea champions must be identified and encouraged. Intolerance to errors and mistakes, short-term perspectives or a huge amount of red tapism and bureaucracy act as barriers to innovation and must be must be must be countered.

To talk of idea champions, I have mentioned about them in the previous class, but I will also define them here these are those people who are energetically and enthusiastically you know who energetically and enthusiastically promote an idea gather support overcome resistance to change and guarantee that anything new is accepted anything new is accepted and executed.

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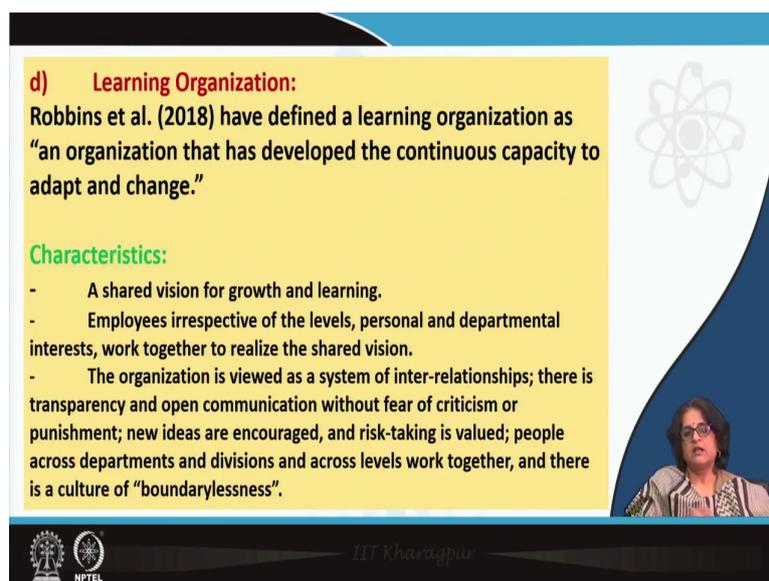
d)   **Learning Organization:**

Robbins et al. (2018) have defined a learning organization as "an organization that has developed the continuous capacity to adapt and change."

Characteristics:

-       A shared vision for growth and learning.
-       Employees irrespective of the levels, personal and departmental interests, work together to realize the shared vision.
-       The organization is viewed as a system of inter-relationships; there is transparency and open communication without fear of criticism or punishment; new ideas are encouraged, and risk-taking is valued; people across departments and divisions and across levels work together, and there is a culture of "boundarylessness".

Lastly, we come to the learning organization Robbins et al have defined a learning organization as an organization that has developed the continuous capacity to adopt to adapt and change. So, they say that it is an organization that has that has developed the continuous

capacity to adapt and change what are the characteristics of a learning organization a shared vision which is towards growth and learning employees work together to it employees work together to realize the shared vision.

So, one there is a shared vision for learning and growth the other that whatever level be what irrespective of the level irrespective of personal interest irrespective of departmental interest irrespective of any personal or professional interests employees work together to realize the vision the organization is viewed as a system of interrelationships there is open communication transparency and you know there is there is no there is you know there is open communication without fear of criticism or punishment.

People are encouraged to speak their heart out people are encouraged to speak their mind out and there is transparency and open communication which is encouraged new ideas are encouraged and risk taking is valued people across departments across divisions and across levels work together and there is culture of boundary boundarylessness. So, everybody works together.

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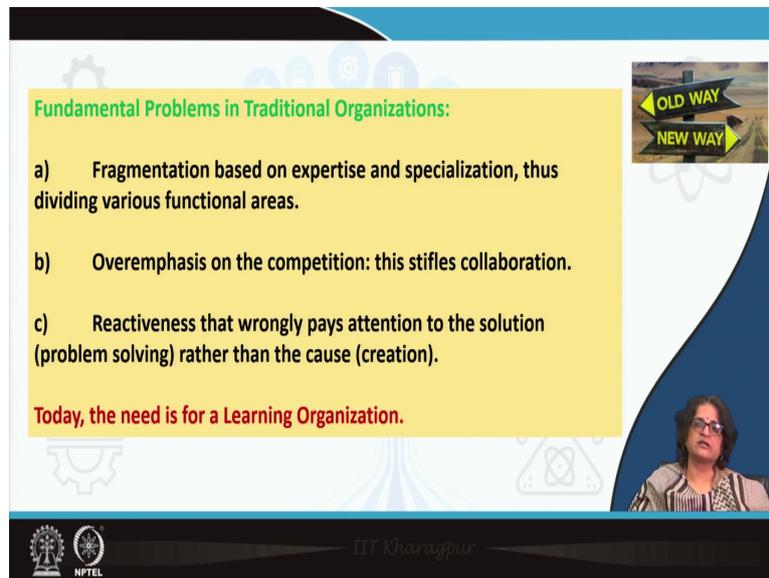
Now, the fundamental problem in traditional organizations was that there was fragmentation based on expertise fragmentation based on specialization and so there was this huge watertight compartmentalization across functions across divisions overemphasis on competition and this stifled collaboration.

And, today the need is for a learning organization and you know what a learning organization would mean what is that there is to be a lot of information sharing collaboration coordination and you know transfer of knowledge which is important.

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So, Chris Argyris and his colleagues described a learning organization and this differentiated between a single loop learning and double loop learning or they also called it a first order learning or a you know second order or a dentero learning. So, in single loop learning or first order learning.

You know the organization aims at enhancing its capacity to achieve known objectives it deals with routine and behavioural learning the organization learns without any meaningful change in its basic assumptions and errors are rectified using past processes past practices past procedures and present policies.

But in double loop learning or we also call it second order learning or dentero it the aim is at reassessing the nature of organizational objectives as well as the values and beliefs you know it involves changing the culture of the organization it relates to organizations learning how to

learn and errors are rectified by changing organizational objectives policies and procedures and standardized routines and patterns.

So, Chris Argyris and his colleagues described a learning organization and describe and differentiated betweens a first order or a single loop and a second order or a dentero or a double loop learning and they said that single loop learning aims at enhancing organizational capacity to achieve known objectives and the organization learns without any meaningful change in its assumptions and errors are rectified based on past practices and procedures and present policies.

But in double loop learning the it is double loop learning aims at reassessing the organizational the nature of the organizational objectives as well as the values and beliefs and involves changing the culture of the organization errors are rectified by changing organizational objectives policies and practices and standardized routines and patterns.

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So, how do you create a learning organization? First, establish a vision and strategy for commitment to change. I started my module 5 with this that people have to accept the fact that change is something which is essential.

So, organizations must establish a vision and strategy for commitment to change or redesign the organizational structure they must adopt an informal organization structure flatten, it encourage the growth of cross functional teams move towards the boundary less organization and then redesign the culture of the organization develop an open culture encourage risk taking admit failures as a part of risk taking reward people who take risks.

And also encourage functional conflict because functional conflict is something which is desirable for the organization and that will be where that will be discussed in our next module when we discuss a power and conflict.

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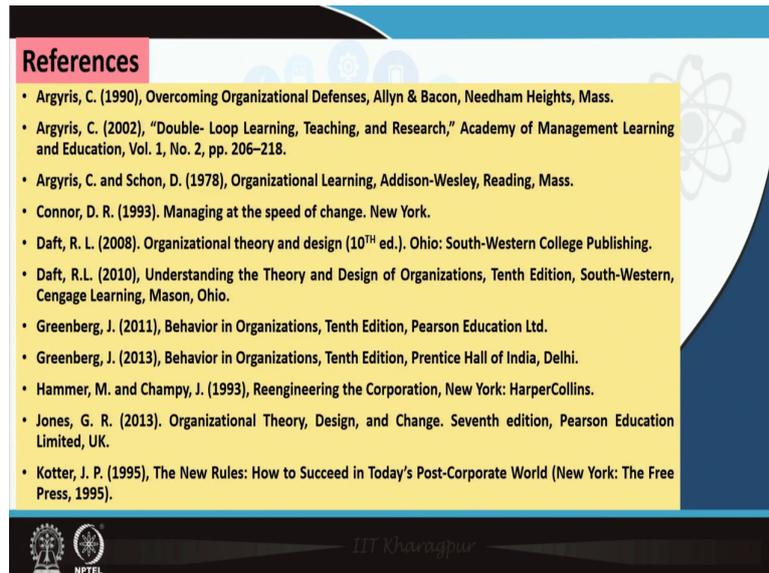
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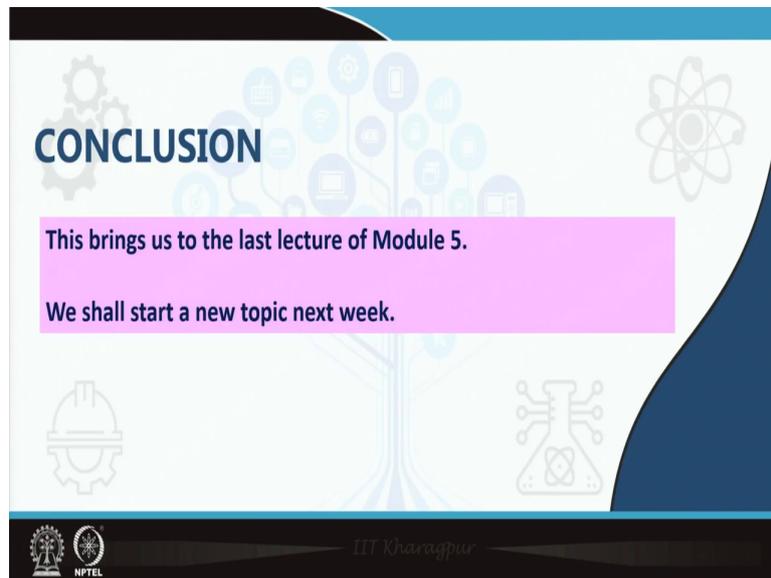
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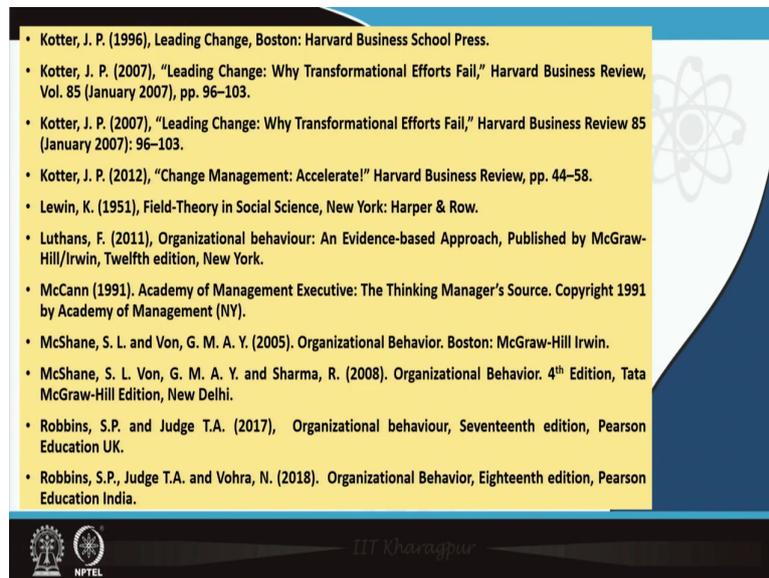
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So, so this brings us to an end of this module we shall be starting the next topic in the next module next week.

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Thank you.