Foundation of Organizational Development

CHAPTER: 5

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Foundations of OD

- Leaders and OD practitioners use the knowledge of organization development theory and practice to plan and implement effective change programs in their organizations. The knowledge base of OD is extensive and is constantly growing. Following are the most important underpinnings for the field of OD.

    1. Models and theories of planned change
    2. Systems theory
    3. Participation and empowerment
    4. Teams and teamwork
    5. Parallel learning structures
    6. A normative-re-educative strategy of changing
    7. Applied behavioral science
    8. Action research

Theories of Planned Change

- Kurt Lewin's Organizational change theories
  - Resultant Theory
  - Three stage Model Theory

- Burke Litwin's model of Organization change
  - First Order Change and Second Order Change

- Porras and Robertson's model of Organizational Change
  - Based on work setting

Resultant Theory

"The current state of things at any point is the result of opposing forces."

Method Used : Force Field Analysis

Three Stage Model theory

Unfreezing

Changing

Refreezing

Unfreezing – Creating readiness
- ➤ Lack of confirmation
- ➤ Creation of guilt
- ➤ Psychological Safety

Changing - viewing things differently
- ➤ Identifying a new mentor or new role.
- ➤ Scanning environment for data

Refreezing – Integrating with the new scenario
- ➤ The new personality
- ➤ New Relationships

Burke–Litwin Model of Change

First Order Change
- happens when some features of the organization change
- Leads to:
  - transactional change
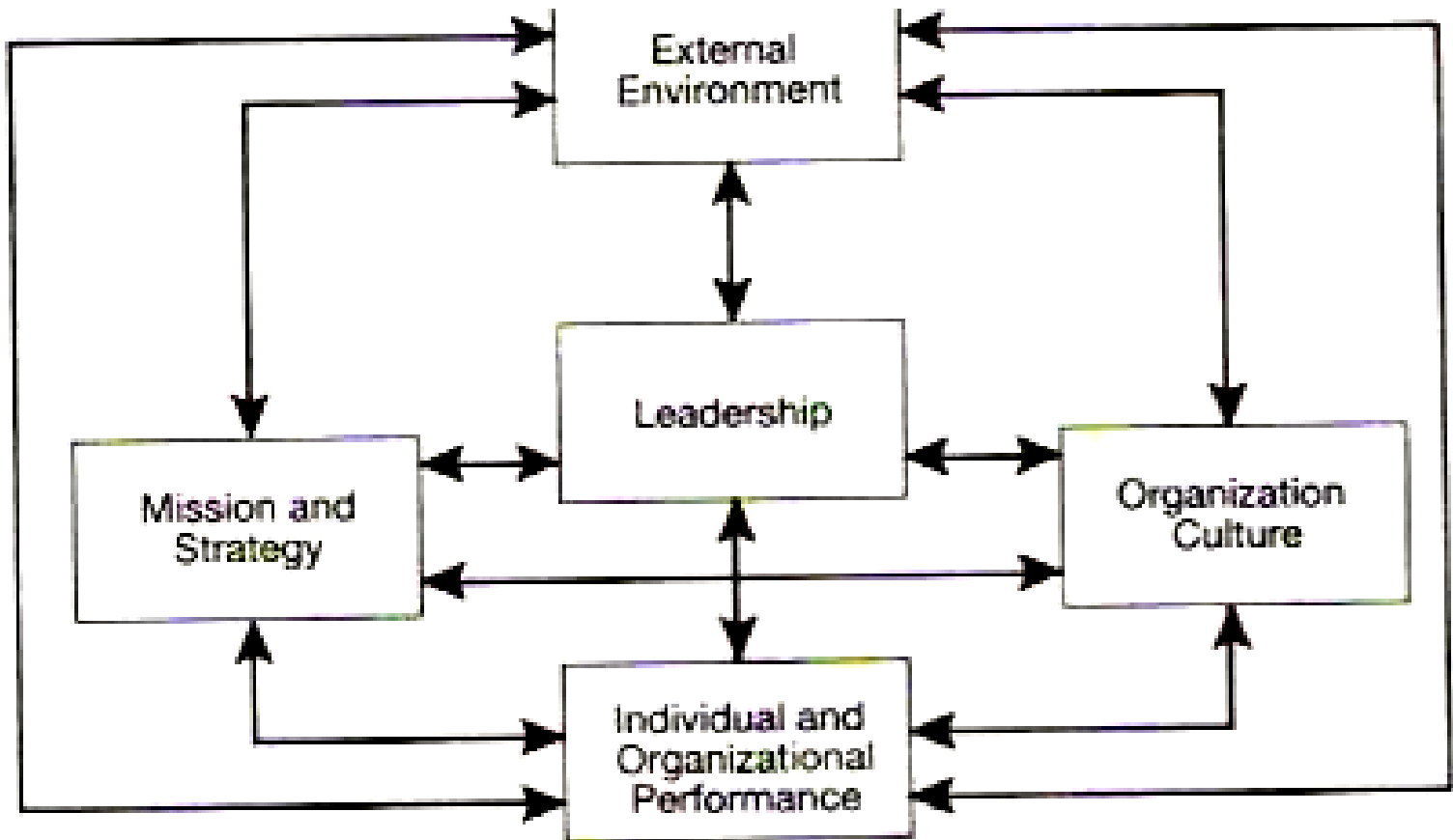 - Organisational climate

Second Order Change
- happens when the organization undergoes certain fundamental changes.
- Leads to:
  - transformational change
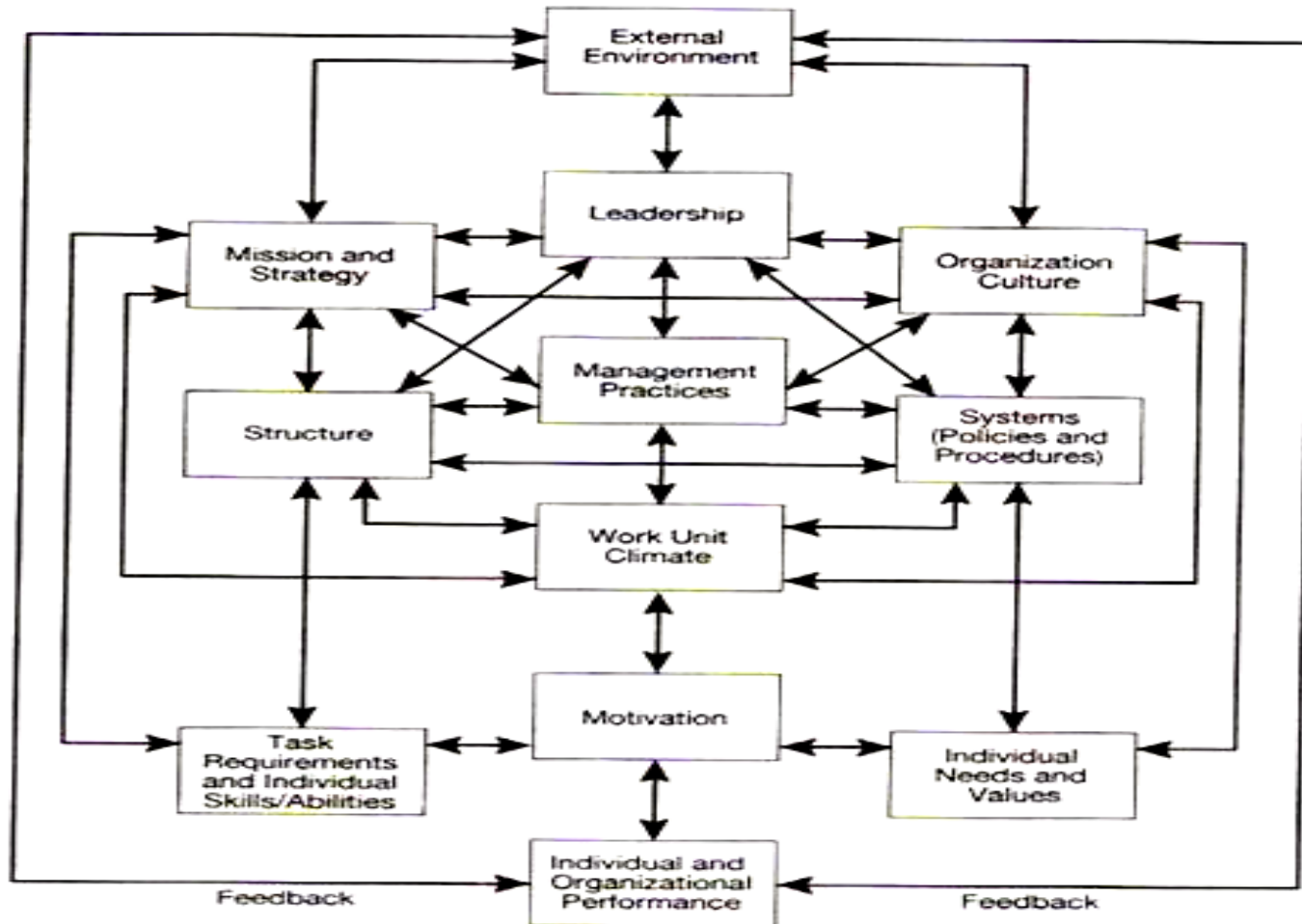 - Change in organizational culture

Transactional Factors
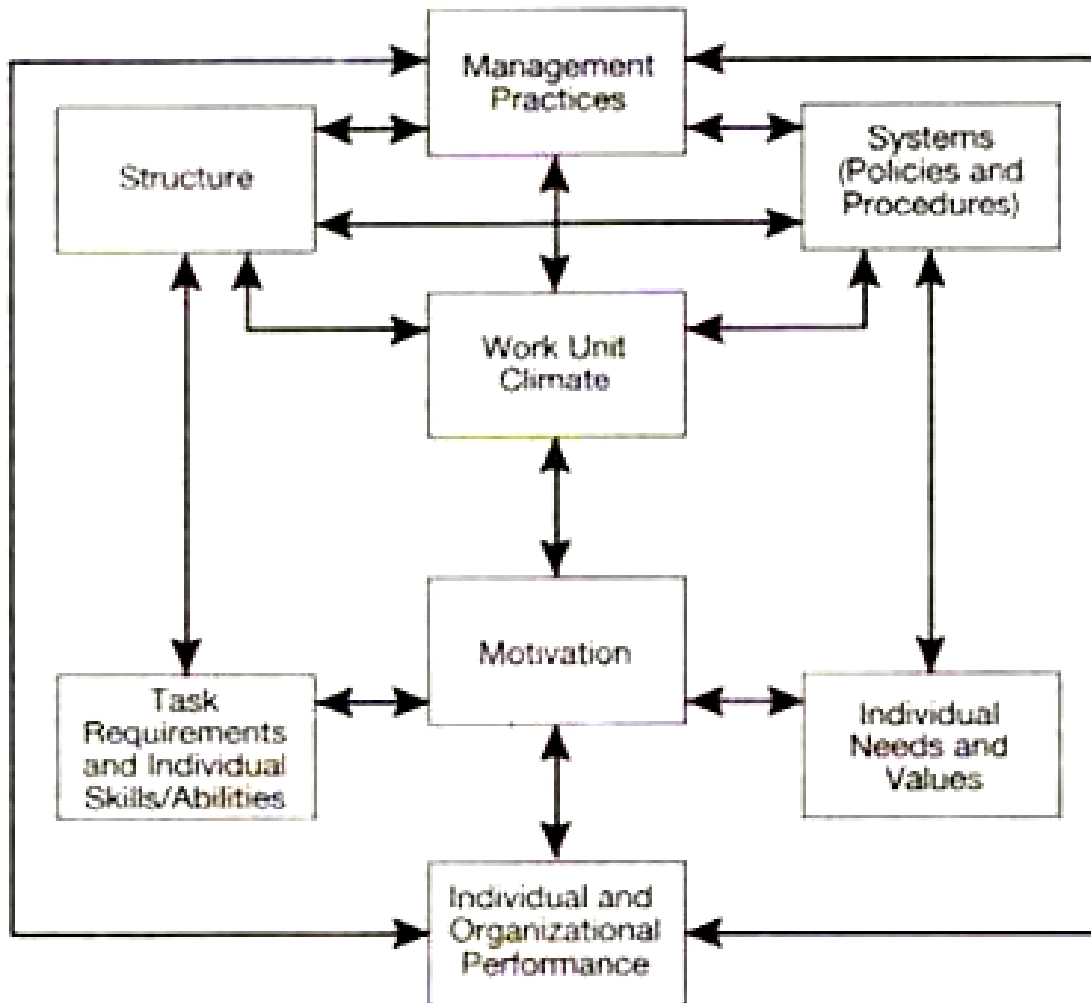
Transformational Factors

Burke – Litwin Model

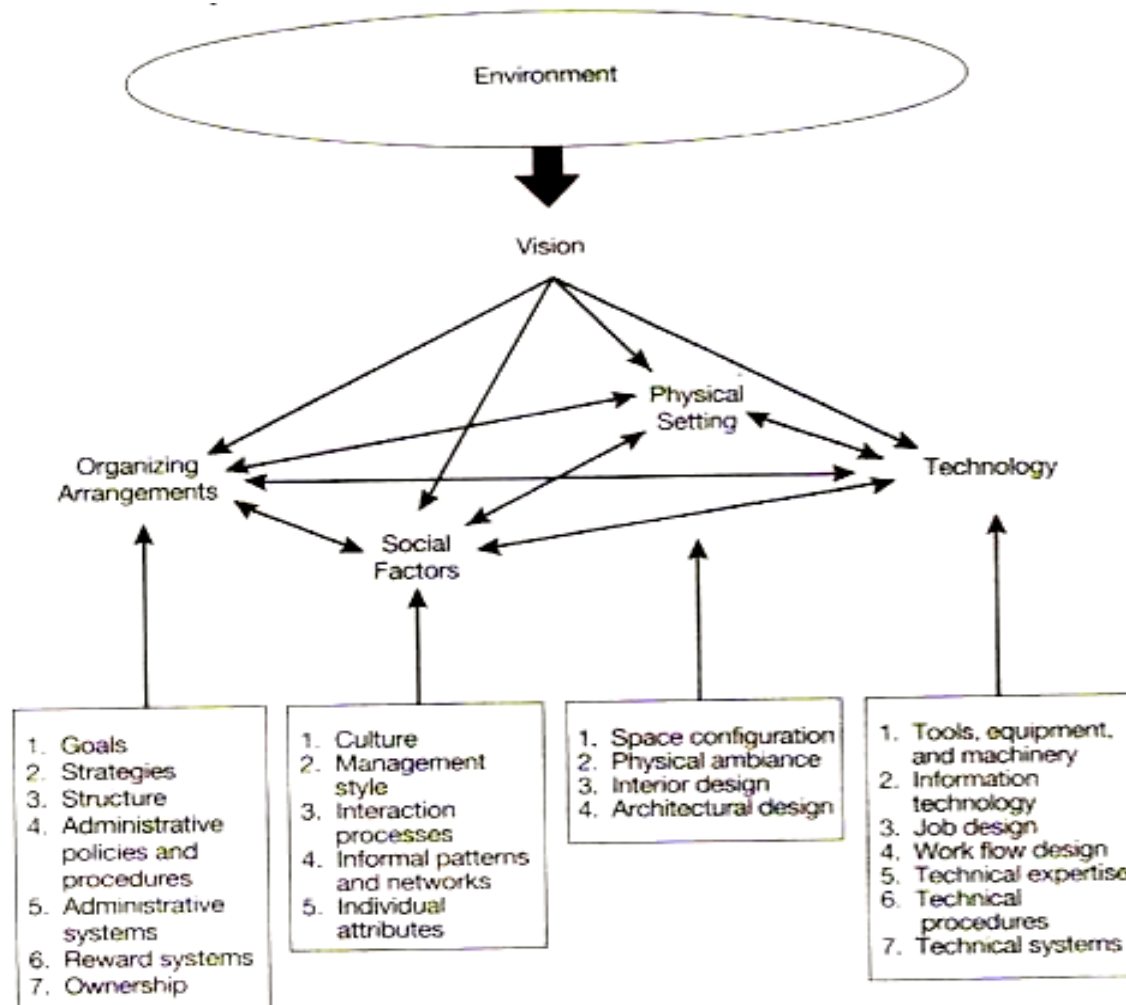# Burke – Litwin Model Contd

- There are two distinct sets of organizational dynamics.

- Transactional leaders contribute to normal performance by guiding and motivating the employees towards the goals.

- Transformational leaders are capable of having a profound and extraordinary effect on the employees.

Porras and Robertson Model

- This model states that OD Interventions alter features of work setting causing changes in individual and organizational improvements.

- The work setting plays a central role in this model and consists of four factors.

Work Setting Factors

Environment

Vision

Physical Setting

Organizing Arrangements

Technology

Social Factors

1. Goals
2. Strategies
3. Structure
4. Administrative policies and procedures
5. Administrative systems
6. Reward systems
7. Ownership

1. Culture
2. Management style
3. Interaction processes
4. Informal patterns and networks
5. Individual attributes

1. Space configuration
2. Physical ambiance
3. Interior design
4. Architectural design

1. Tools, equipment, and machinery
2. Information technology
3. Job design
4. Work flow design
5. Technical expertise
6. Technical procedures
7. Technical systems

Systems Theory

- "System is an arrangement of interrelated parts"- Hanna.
- Systems operate through the input-throughput-output mechanism.
  - **Inputs**- money, people, raw materials, information etc
  - **Through put** – conversion or transformation
  - **Output** - final product/service

Features of Open Systems

- Goal Oriented
- Follows law of Entropy
- Emphasis on feedback
- Coded information
- Dynamic Homeostasis
- Existence of Subsystems
- Differentiation
- Equifinality

System in Interaction
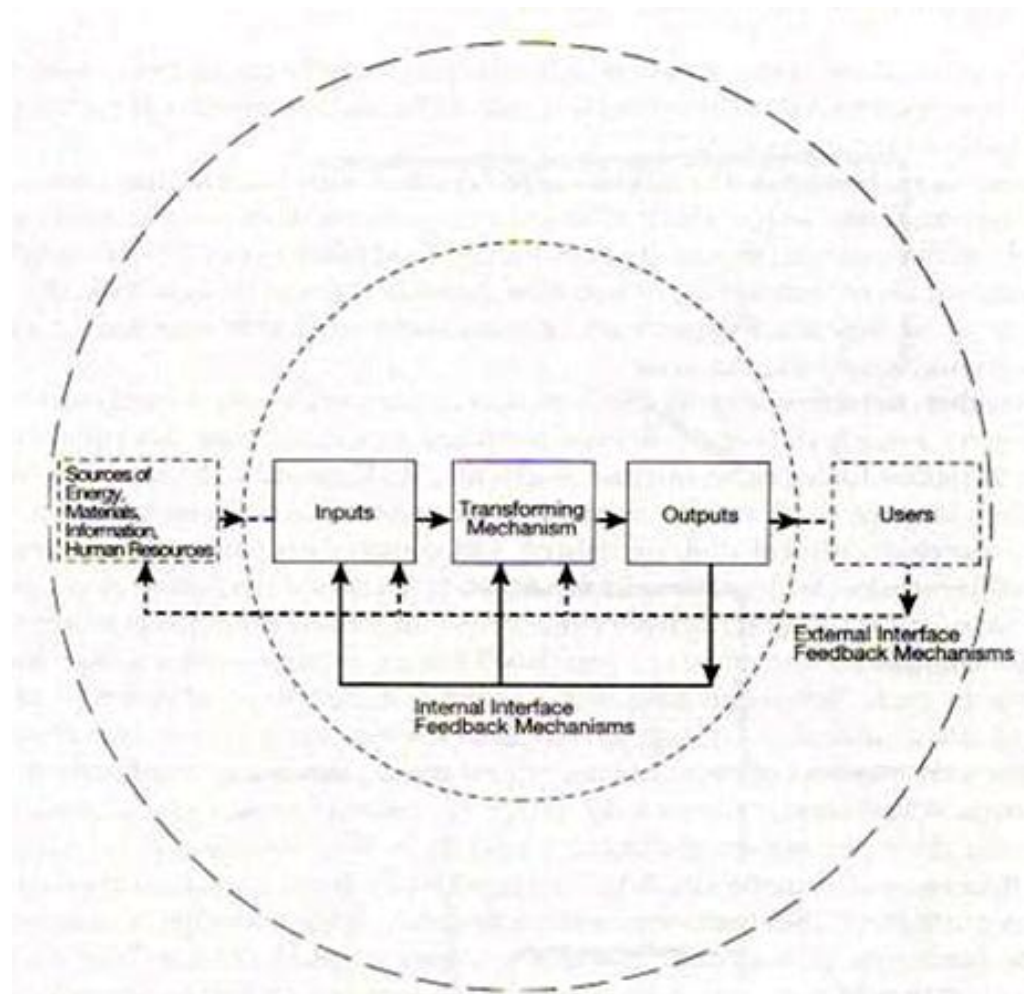
Congruence among system elements.

- **Input factors**
  - Environment
  - Resources
  - History

- **Organizational Elements**
  - Strategy
  - Work
  - People
  - Formal and Informal Organization

- **Output Factors**
  - System
  - Unit
  - Individual

Congruence among System Elements

Input
- Environment
- Resources
- History

Strategy

Informal Organiztion

Work

Formal Organization

People

Output
- System
- Unit
- Individual
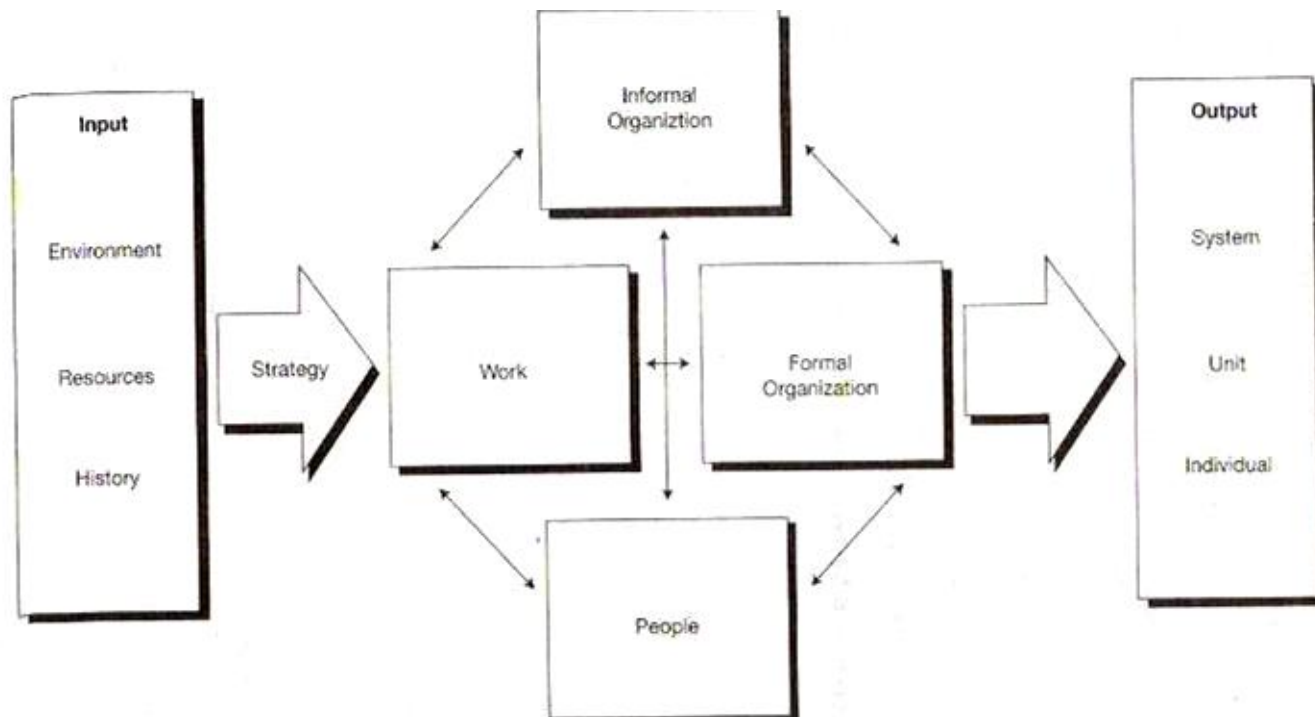
Analysis of the System Theory

- Parts of the Organizational System
- Parts of the Environment
- Major Variables
- Relationship between the variables

Serious mistakes made in business arise because of neglect of one or more of these four factors.

Benefits of System Theory

1. Effective Problem Solving
2. Effective leadership
3. Effective Communication
4. Effective Planning
5. Effective Organizational development
6. Avoiding founder's syndrome.

Participation and Empowerment

- **Challenge the process**
  - opportunity search
  - Risk and Experiments
- **Inspired Vision**
  - Envision the past, present and future
- **Enabling**
  - Foster collaboration
  - Strengthen others
- **Modeling the way**
  - Set example
  - Plan small wins
- **Encourage the heart**
  - Recognition of the individual
  - Celebrate accomplishments.

Empowerment contd

- **Concept of open Book Management**
  - ✓ Understanding the company's financials.
  - ✓ Self motivated employees
  - ✓ A direct stake in the business

Parallel Learning Structure

A supplementing structure coexisting with the usual.

Features are:

1. A created structure
2. Operates in parallel
3. Questions the constraints
4. Engages inquiry, initiation and experimentation
5. Ensures Organization effectiveness

Normative-Re educative Strategy

Change can be brought about by 3 kinds of strategies.

1. Empirical and Rational Strategies
2. Normative and Re educative Strategy
3. Power-Coercive Strategy

OD Practioners propose the normative and educative strategy for Organization Development

Applied Behavioral Science

- Applied Behavioral Science is a combination of Research , Theory and Science .
- Includes basic understanding of theory, practice, principles and concepts. (Diagnosis)
- Includes techniques, strategies, models, process and paradoxes. (Treatment)
- Illustrates awareness, observation and interpretation.

- Thank you