CHAPTER - I

ORGANISATIONAL DEVELOPMENT
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1.1 Introduction

Today’s business organizations are characterized by increasingly dynamic technological and communications networked environment, continuous challenges such as competition, development, general instability, mergers and reengineering of work processes. These forces challenge organisations to re-evaluate their strategies, structure, policies, operations, processes, and culture. Sustained organizational success in such kind of a highly turbulent business environment is a function of intense proactive abilities of employees to aspects of change, combined with conceptual comprehension of organizational issues and goals. Organizations insensitive to changes in political, economical, social and technological environment lack grit and determination to cope up with internal and external changes when required and hence lack sustenance and longevity.

Organizational Development (OD) is a field of study that squarely addresses coping with changes through top, middle, and bottom level employee team efforts, succeeded by effectively handling changes in internal environment, the causes of which are mostly from external environment. According to Arnold et al. (1995, p-167) “Attitudes reflect a person’s tendency to feel, think or behave in a positive or negative manner towards the object of the attitude”. Change practices evolve in all organizations with an objective of enhancing organizational efficiency by solving the problems and enabling organization to face challenges. All organisation problems and challenges are manifestations of stiff competition, advanced technology, mergers, and expansion, product quality maintenance, or enhancing employee efficiency on the one hand and rapid growth, new business ventures, exciting opportunities, innovations, and new leadership and management approaches (Madsen et al., 2005, p-213) on the other. Positive attitudes and behaviors of employees are the yield of realization of the need for action by employee. Exploration of the factors supporting development of positive attitude and behavior among employee for organizational change are the top priority of researchers and experts (Goulet and
Singh, 2002; Yoon and Thye, 2002; Madsen et al., 2005). Evaluation of the factors relating to the individuals commitment to the organization and career enables this. Armenakis and Bedeian (1999, p-307) reported that “as open systems, organizations depend on human direction to succeed”. Employee cognitive levels towards the organisation are ascertained by applying these factors in many instances. (Goulet and Singh, 2002; Penely and Gould, 1998).

Galais and Moser (2009) reinforce commitment to the organization as an approach to fulfill the need for belonging and identifying. Top management relies on this approach to promote positive thoughts and feelings towards organization and career among employees, which tend to support effective and successful change implementation. Effective organizational development supports organizations through individual and team efforts, and enables organizations to cope with change. Strategy development for implementing planned change is of course to enhance organizational functioning. While change is ‘Given’ or ‘Imposed’ or ‘Inevitable’, alternatives to overcome them are a continuous process involving employees from all organization levels, however, with some being effective and some ineffective.

OD enables organizations to sustain, internally and externally in an unstable environment by its planned change efforts. Organizational Development is known both as a field of applied behavioral science focused on understanding and managing organizational change and as a field of scientific study and inquiry. It is interdisciplinary body of knowledge developed over many decades by drawing extensively from the subjects of Sociology, Psychology, and theories of Motivation, Learning, and Personality. Hence, the situation prompts adherence to OD Models, indicating the inevitable and unavoidable nature of OD application Models for those organizations displaying eagerness to become successful and competitive. Employees in organizations are blessed with great degree of expertise, experience, penchant for learning and problem solving. Thus, the evaluation and ascertainment of application and practice of OD Models by the sample employees of the selected organisations aid researchers and practitioners to know as much as possible about employee acknowledgement and appreciation of OD conceptual Models.

This research empirically investigates the intensities of employee acceptance and appreciation
of applications of OD models in the cement industries of Andhra Pradesh, India.²

In this chapter a brief outline of the overall study is presented. The purpose of this doctoral study is to evaluate and ascertain the intensity of effective implementation and practice of various Organizational Development conceptual Models enunciated by the luminaries in the field. The approach is to elicit the opinions from selected sample of employees from cement industry, on the intensity of application and practice of OD application Models in their respective organizations.

This chapter does present a brief description of the background and scope of the study, followed by the aim and objectives of the study. This chapter explains the context and the respondent base of the study, methodology and methods used, the contribution of the study, and finally, the structure of the thesis.

1.2 Definitions

The nature and needs of organizations are undergoing dramatic changes; with a corresponding effect in the profession of OD to meet the changing needs of organizations. The definitions from various pioneers in the field of OD are a reflection of the genesis, growth and development of OD.

*An Old Standard Definition of OD:*

The following definition was developed in 1969 at a time when an organization was considered to be much like a stable machine comprised of interlocking parts.

“Organization Development is an effort planned, organization-wide, and managed from the top, to increase organization effectiveness and health through planned interventions in the organization's 'processes,' using behavioral-science knowledge.”

Beckhard

*New Definitions of OD:*

Today's organizations operate in a rapidly changing environment. Consequently, one of the most important assets for an organization is the ability to manage change -- and for people to remain healthy and authentic.
"Organization development is a system-wide application of behavioral science knowledge to the planned development and reinforcement of organizational strategies, structures, and processes for improving an organization’s effectiveness."

Cummings and Worley

"Organization Development is a body of knowledge and practice that enhances organizational performance and individual development, viewing the organization as a complex system of systems that exist within a larger system, each of which has its own attributes and degrees of alignment. OD interventions in these systems are inclusive methodologies and approaches to strategic planning, organization design, leadership development, change management, performance management, coaching, diversity, and work life balance”

Matt Minahan

"Organizational 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 consultant-facilitator role and the theory and technology of applied behavioral science, including participant action research.”

French & Bell

1.3 History of OD

Kurt Lewin 1898-1947 is widely recognized as the founding father of OD, although he passed before the concept became current in the mid-1950s. From Lewin came the ideas of ‘Group Dynamics’ and ‘Action Research’ which underpin the basic OD process as well as providing its collaborative consultant/client culture. Institutionally, Lewin established the "Research Center for Group Dynamics"(RCGD) at MIT, which moved to Michigan after his death. RCGD colleagues were among those who founded the National Training Laboratories (NTL), from which the T-group and group-based OD emerged. In the UK, the Tavistock Institute of Human Relations was important in developing systems theories. In the late 1960s OD was implemented in organizations via consultants, but was relatively unknown as a theory of practice and had no common definition among its practitioners. In the 1970s, in the US, work on organizational
change from a human relations perspective continued in the same vein as the previous decade, but with another name Organization Development (OD). ³

**Douglas Mc Gregor**, in the context of his work with Union Carbide in 1957, has been identified as *'one of the first behavioral scientists to talk systematically about, and to implement, an Organization Development program'*. Throughout the 1970s and 1980s organizational development became a more established field with courses and programs being offered in business, education, and administration curricula. In the 1990s and 2000s organizational development continued to grow and evolve and its influences could be seen in theories and strategies such as total quality management (TQM), team building, job enrichment, and reengineering.

**French** and **Bell** - OD has taken the *'Ongoing Work Team’*, including supervisor and subordinates' as its key input/unit and *'puts a primary emphasis on human and social relationships'*, thus again demonstrating its persistence in the human relations tradition. The stock in trade of the OD consultant was a series of experiential group exercises which developed within Human Relations Management Training-Sensitivity, T-Groups Encounter Groups and Laboratory Training.

### 1.4 Contemporary OD

OD is still unable to completely outgrow feel-good, event-driven interventions and consultants. However, since the field is gaining professionalism, an aspect that is generally being agreed upon is *'the intended purposes of OD’*. They are

- To generate performance gains within the organization.
- To augment effectiveness, that is, the ability of the organization to meet intended goals.

The above objectives are related, but not always coincidental. While in practice, contemporary OD practice is at crossroads, with old-school practitioners from the human relations tradition viewing OD as a value system based on humanistic ideals, and on the other hand are the firms that worship the altar of efficiency and act a lot like management consultants. Most of the latter are undoubtedly downsizing and efficiency experts. Hence
Contemporary OD has emerged with an aim to shrink the existing gulf between honoring humanist values and enhancing organizational efficiency. Indeed, this is the only identified route to sustainable change.

*Chemcorp* in 1983 realized an imminent requirement to train its employees throughout the corporation - senior management, middle management and supervisors. *The Indian Chemical Company Limited (ICCL)* countered a serious problem of conflict between the Materials department and the user departments.

Among Indian organizations using survey feedback as a sensing instrument are *Crompton Greaves and Larsen & Toubro (L & T)*. While L&T commenced HRD activities in a systematic way in 1975 and has been using organizational climate survey, Crompton Greaves used the same in 1982. *Voltas*, during 1988-89, decided to initiate organizational improvements using survey feedback. The cultural change & leadership development experience of *The Mafatlal group* aptly illustrates the utility of survey feedback for OD.

*Indian Institute of Management Ahmedabad* in 1987 initiated the first systematic program using this method in which a number of CEOs from Indian firms and MNCs participated.

*David McClelland* and team in mid 60s conducted the first set of ‘Achievement Motivation Development’ programs to develop indigenous entrepreneurs in India. A sizeable number of organizations have successfully used AMTs either to build a culture of competitiveness or a culture of excellence in their companies. Organizations like Larsen & Toubro, Deepak Nitrite, Crompton Greaves, etc. have used the AMT interventions extensively.

*Udai Pareek* and *Somnath Chattopadhyay* have developed an instrument to measure the motivational climate of organizations using the six motive model: *Achievement, Expert Power, Dependence, Control, Affiliation and Extension*. The concept of extension motivation was formulated out of these six motives by Udai Pareek in mid-60s. This tool used to measure the Motivational climate is used as a diagnostic tool and on the basis of the diagnosis, training workshops are normally conducted to help the top management or senior managers of a company to evaluate and change the motivational culture. Some of these interventions essentially deal with enhancing or changing the motivational profiles of individuals and through them the culture of the organisation. Hence they are a medley of individual and organization interventions.
Typical AMT labs to enhance the Achievement of young managers or sales persons etc. are also common interventions. The most frequently used intervention is to build Extension Motivation (Service Motive) among the social service agents.

1.5 Global Perspective- OD

The MNCs that in fact integrates systems and employee practices across oceans and continents is still in a state of emerging out with best practices. Working in Japan and Far East, demands a conceptual understanding of existence and manifestations of cultural differences within the organizations, which is important and precedes selection of possible OD practices. For example, many organizations in Japan has a common set of characteristics

- A stable workforce in which new employees were courted during their last year of college and join the firm for life,
- predictable organizational hierarchy at the group, department, function, and division level,
- Company norms that transcend the individual, linking the collective in an interdependent company culture, and a long-term focus to planning and execution far beyond five years.

In Britain, OD assumed popularity as a topic of discussion in management and personnel publications. Its definitions tended to be wider than in the US, influenced by the more sociological tradition of organizational behavior in the UK. The term OD in Britain was beginning to refer to any techniques of planned organizational change. The following table aptly displays the versatility of the studies relating to organisational change/development across countries and continents, indicating the increasing interest by the academicians, organizational behaviorists, and practicing consultants.\(^5\)
<table>
<thead>
<tr>
<th>Description</th>
<th>Author’s Name (s) &amp; Years</th>
<th>Place</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size and Structure in Complex Organisations</td>
<td>Milet et al. (1977)</td>
<td>USA</td>
<td>By applying Blau’s formal theory of differentiation findings suggests altering and extending the explanatory scheme. Suggests establishing propositions may be unique to organisational type that may support several alternative propositions about organisational growth and change.</td>
</tr>
<tr>
<td>Creating Readiness for Organisational Change</td>
<td>Armenakis et al. (1993)</td>
<td>USA</td>
<td>By combining the urgency and capability of organisation influence strategies, change agents play an effective role in change readiness.</td>
</tr>
<tr>
<td>Modelling Internal Organisational Change</td>
<td>Barnett and Carroll (1995)</td>
<td>USA</td>
<td>Process and content show the greatest potential for resolving the situation during organisational change. Models that comprise both are useful to solve the problem. Thus models can be used to test social science theories and evaluate the change programmes.</td>
</tr>
<tr>
<td>The View from the Top: Senior Executives’ Perceptions of Changing Management Practices in UK Companies</td>
<td>Ezzamel et al. (1996)</td>
<td>UK</td>
<td>In UK corporate sector senior managers perceive rapid and continuous change. It is found that change is a question of degree not a radical break with past practices.</td>
</tr>
<tr>
<td>Building the People’s capacity for change</td>
<td>Wright and Thompsen (1997)</td>
<td>USA</td>
<td>The real force for change is employee readiness that can make possible successful organisational change.</td>
</tr>
<tr>
<td>Presenteeism, Power and Organisational Change: Long Hours as a Career Barrier and the Impact on the Working Lives of Women Managers</td>
<td>Simpson (1998)</td>
<td>UK</td>
<td>In male dominated organisations, restructuring leads to increased workloads and pressure of long working hours. Presenteeism also founded to be gendered. Being managed by women, it is seen as a form of ‘male resistance’ to their presence that may impose heavy costs on women.</td>
</tr>
<tr>
<td>Comparing Change Readiness, Quality Improvement, and Cost Management among Veterans Administration, For Profit, and Non-profit Hospitals</td>
<td>West (1998)</td>
<td>USA</td>
<td>Developed model and the matrix combination to offer a framework for managers to pursue organisational change and operational innovation within organisation.</td>
</tr>
<tr>
<td>Five symbolic roles of the external consultant: Integrating change, power and symbolism</td>
<td>Kaarst-Brown (1999)</td>
<td></td>
<td>During organisational change process power and politics have been accepted as often detrimental elements.</td>
</tr>
<tr>
<td>Changing the “whole system” in the public sector</td>
<td>White (2000)</td>
<td>UK</td>
<td>In organisations, change reforms show attempts to cope with a turbulent environment. This study explores the implication of process for changing the whole system.</td>
</tr>
<tr>
<td>Perceptions of organisational readiness for change: Factors related to employees’ reactions to the implementation of team bases selling</td>
<td>Eby et al. (2000)</td>
<td>USA</td>
<td>Examined large-scale change where individual attitudes and preferences, work group and job attitudes, and contextual variables of employees found effective for readiness. Trust in management is not positively related with employee readiness for change.</td>
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<tr>
<td>Title</td>
<td>Author(s)</td>
<td>Location</td>
<td>Summary</td>
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<tr>
<td>Tools and Techniques to facilitate change</td>
<td>Bechtel and Squires (2001)</td>
<td>USA</td>
<td>Internal organisational development or training professionals can be done by change programme. It depends upon mindful planning with support of tools and techniques that can facilitate this. Key success depends upon thinking holistically and focusing on the critical success factor.</td>
</tr>
<tr>
<td>Skill-Biased Organisational change? Evidence from a panel of British and French Establishments</td>
<td>Caroli and Reenen (2001)</td>
<td>France</td>
<td>Organisational change and skills are complementary. It reduces the demand for unskilled workers and is negatively associated with increases in regional skill price differentials. It also leads to greater productivity increases in establishments with larger initial skill endowments. Technical change is complementary as an independent role but not related.</td>
</tr>
<tr>
<td>Crafting a change message to create transformational readiness.</td>
<td>Armenakis and Harris (2002)</td>
<td>USA</td>
<td>Discrepancy, appropriateness, efficacy, principal support, and personal valence, strategy of message conveying, participation and persuasive communication create readiness for organisational change.</td>
</tr>
<tr>
<td>Readiness for organisational change: A longitudinal study of workplace, psychological and behavioural correlates</td>
<td>Cunningham et al. (2002)</td>
<td>Canada</td>
<td>Employees achieve readiness with active jobs, an active job problem-solving style and job change self-efficacy factors. An active approach to job problem-solving with higher job change self-efficacy scores.</td>
</tr>
<tr>
<td>Managing Change and Changing managers from ABC to XYZ</td>
<td>Burnes (2003)</td>
<td>UK</td>
<td>Organisational changes develop managerial development in parallel with benefits. Study emphasis that managerial development and change should run in parallel where managers should develop strategic strategies for success in managing change.</td>
</tr>
<tr>
<td>Wellness in the Workplace: Preparing Employees for change</td>
<td>Madsen (2003)</td>
<td>Canada</td>
<td>Employee’s performance is related with organisational performance. By improving the physical, emotional, spiritual, social, and intellectual wellness, organisational performance is improved.</td>
</tr>
<tr>
<td>Study Title</td>
<td>Author(s)</td>
<td>Country</td>
<td>Key Findings</td>
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<tr>
<td>The role of emotional intelligence and personality variables on organisational change</td>
<td>Vokala et al. (2004)</td>
<td>Greece</td>
<td>Individual character is critical for success of change. Relationship of individual emotions and personality significant towards change. By applying theoretical foundation of Armenakis’ employee readiness model, researcher found that employee readiness factor is critical.</td>
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<tr>
<td>Expanding Our Understanding of the Change Message</td>
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<td></td>
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</tr>
<tr>
<td>Predicting openness and commitment to change</td>
<td>Chawla and Kelloway (2004)</td>
<td>Canada</td>
<td>Results found that communication, trust, and job security is predicted on openness. Participation predicted trust directly or indirectly but predicted openness to change only.</td>
</tr>
<tr>
<td>Achieving readiness for organisational change</td>
<td>Smith (2005)</td>
<td>Australia</td>
<td>Employees of the organisation are key factor for success or resistance in effective organisational change.</td>
</tr>
<tr>
<td>The role of psychological climate in facilitating employee</td>
<td>Martin et al. (2005)</td>
<td>Australia</td>
<td>By applying theoretical model of employee study found that employee’s perceptions of the</td>
</tr>
<tr>
<td>Status differences in employee adjustment during organisational</td>
<td>Martin et al. (2005)</td>
<td>Australia</td>
<td>Upper level staff reported more positive attitudes than clinical staff during change, across a range of</td>
</tr>
<tr>
<td>Beliefs Underlying Employee Readiness to Support A Building</td>
<td>Peach et al. (2005)</td>
<td>Australia</td>
<td>Significant differences found between employees with moderate compared to high intentions to</td>
</tr>
<tr>
<td>A Multilevel Approach to Individual Readiness to Change</td>
<td>Desplaces (2005)</td>
<td>UK</td>
<td>By applying theoretical and testable individual model explored both objective and subjective context of</td>
</tr>
<tr>
<td>Readiness for Organisational Change: Do Organisational Commitment and Social Relationships in the Workplace Make a Difference</td>
<td>Madsen et al. (2005)</td>
<td>Canada</td>
<td>By examining the data study found significant relationships between employee readiness, organisational commitment and social relationships at the workplace. Study further found relationships number of children, social relationships and gender and organisational commitment and employee age, educational level and gender.</td>
</tr>
<tr>
<td>Title</td>
<td>Author and Year</td>
<td>Country</td>
<td>Summary</td>
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</tr>
<tr>
<td>Continuing professional development and workplace learning</td>
<td>Smith (2006)</td>
<td>Australia</td>
<td>In organisation, change is to be assumed imperative and constant factor.</td>
</tr>
<tr>
<td>Postscripts to change: survivors’ retrospective views of organisational</td>
<td>Chreim (2006)</td>
<td>Canada</td>
<td>Changing identify and enhancing the role of employees and organisation</td>
</tr>
<tr>
<td>Exploring the implications of vision, appropriateness, and execution of organisational change</td>
<td>Cole et al. (2006)</td>
<td>USA</td>
<td>Study found to predict managers, job satisfaction, turnover intentions and role ambiguity by three-way interaction between change vision clarity change appropriateness, and change execution.</td>
</tr>
<tr>
<td>Readiness for change: Implementations on Employees’ Relationship with Management, Job Knowledge and Skills,</td>
<td>Miller et al. (2006)</td>
<td>Canada</td>
<td>All three workplace factors have an influence on employees’ readiness for change. But employees’ relationship with their managers is the strongest predictor of readiness for change.</td>
</tr>
<tr>
<td>An examination of the antecedents of readiness for fine-tuning and corporate transformation changes</td>
<td>Rafferty and Simons (2006)</td>
<td>Australia</td>
<td>Employees have different approaches for different types of change. Results suggest that trust in peers and logistical and system support displayed for fine-tuning change, while, trust in senior leaders and self efficacy displayed strong positive relationships with readiness for corporate transformation changes. One important finding is that</td>
</tr>
<tr>
<td>Readiness for Organisational Change: The Systematic Development of a Scale</td>
<td>Holt et al. (2007)</td>
<td>Canada</td>
<td>Readiness for change is influenced by employees’ beliefs of self-efficacy, appropriateness, management support, and personal valence.</td>
</tr>
<tr>
<td>Utilizing the theory of planned behaviour to inform change management</td>
<td>Jimmieson et al. (2008)</td>
<td>Australia</td>
<td>Results found that employees’ attitudes, subjective norms, and perceived control were predicted to intention to carry out organisational</td>
</tr>
<tr>
<td>A trust-based approach to promote employees’ openness to organisational change in Turkey</td>
<td>Erturk (2008)</td>
<td>Turkey</td>
<td>Results indicated that trust in supervisors mediate the relationship between openness and managerial communications and partially mediated with openness and</td>
</tr>
</tbody>
</table>
Measurement of Perceived Organisational Readiness for Change in the Public Sector

Cinite et al. (2009)  Canada  Readiness for change can be obtained by conceptualising three factors such that commitment of senior managers to the change, competence of change agents and the support of immediate managers.

Indian Perspective-OD

Historically OD and planned change made its beginning in India in the early 1960s, when a group of Indian professionals trained at the National Training Laboratories (NTL) Bethel, Maine, USA, brought out a good deal of OD concepts and technology to India. Grid programs were initiated and widely used in the Small Industries Extension Training (SIET) Institute, Hyderabad, State Bank of India and in the Indian Institute of Management (UM) programs in the mid 1960s. Unfortunately these remained as isolated efforts and did not take OD to its logical conclusions.  

Early Stages of Practice or application of OD in India occurred in the mid 70s, it was first introduced in Larsen and Toubro as a formal and structured part of the HRD department, with a projection to institutionalise the change process, subsequently resulting in emergence of OD specialists. Unfortunately, the yields of this was not realised by the Indian corporate sector, as it was by then characterised by a highly protective and secure environment with very few compulsions as well as impulsions to change. Hence, all through practice of OD was restricted to academic institutions - the forte of a few specialists and largely limited to T-group training and other training based interventions. The irony is that OD is characterised by a slow growth rate, which in turn is reinforced by the fact that even after 25 years of its existence ISABS, the Indian Society for Applied Behavioral Science, an associate of NTL, has been able to produce less than 100 process specialists in this vast country.

Contemporarily Historical efforts for over two to three decades, to apply OD approach and associated techniques in India didn’t yield desired impact. OD philosophy and practices in India cannot be simply applied to the organizations outside US because OD has emerged as a Culture specific practice by nature and practice. General nature prevailing in ‘General Practitioner’ or informality prevailing in the ‘Change Agent’ style, along with an attitude of openness didn’t spell success in the Indian context. However, a deeper examination of values embedded in Indian
religion and psycho-philosophy suggests that the cultural values are indeed largely supportive of organizational renewal and change. The rich cultural heritage also contains a paradigm of change, based on which new approaches and designs of OD interventions may be possible. And such designs are likely to be accepted more readily in the country.  

**Recent Trends** The emergence of number of applied behavioral scientists and T-group trainers has changed the Indian OD scenario. The rise in HRD movement, establishment of HRD departments, contributions of MNCs in India, added with the influence of Western education has contributed for the growth of OD in India. Professional bodies such as ISABS-Indian Society for Applied Behavioral Sciences, ISISD-Indian Society for Individual and Social Development, ISTD-Indian Society for Training & Development, and the HRD Network, and academic institutions such as the IIMs have further facilitated this. In the post liberalization period, everyone has been forced to seek change. As a result, the application of OD technology has increased.

**1.6 OD Distinctiveness**

Primarily OD is an interdisciplinary and behavioral science approach that draws from such fields as Anthropology, Psychology, Sociology, Management, Organization Behavior, Business, Economics, Education, Counseling, and Public Administration.

- ODs primary, though not exclusive, goal is to improve organizational effectiveness.
- ODs target of the change effort is complete organization along with its departments, work groups or individuals within the organization and, as mentioned earlier, may even extend to include a community, nation, or region.
- OD recognizes the significance of top management’s commitment, support, and involvement. It also affirms a bottom-up approach when the culture of the organization supports such efforts to improve an organization.
- OD is a planned and long-range strategy for managing change, while also recognizing that the dynamic environment in which we live requires the ability to respond quickly to changing circumstances.
- ODs major focus is on the total system and its interdependent parts.
OD uses a collaborative approach that involves those affected by the change in the change process. It is an education-based program designed to develop values, attitudes, norms, and management practices that result in a healthy organization climate that rewards healthy behavior.

- OD is driven by humanistic values.
- OD is a data-based approach to understanding and diagnosing organizations.
- OD is guided by a change agent, change team, or line management whose primary role is that of facilitator, teacher, and coach rather than subject matter expert.
- OD recognizes the need for planned follow-up to maintain changes.
- OD involves planned interventions and improvements in an organization’s processes and structures and requires skills in working with individuals, groups, and whole organizations.
- OD is primarily driven by action research (AR).

1.7 Academic Perspective-OD

According to Grenier and Cummings, defining OD is a complex exercise since academic peripheries for OD are imprecise. Robbins too conjured with above views of defining OD as that of complex. Cummings and Worley present four definitions of OD from Burke, French, Beckhard, and Beer. Common features of the definitions are that OD applies to managing planned change in the strategy structure, and/or processes of an entire system in a flexible manner. OD is related to organizational culture; and is oriented to improving organizational effectiveness. Armstrong suggests that the traditional domain of OD declined from about 1980 onwards. However, areas such as change and culture management continued to be of interest to the business community, but only when those areas were results driven and more clearly linked to shorter-term business outcomes.

The first set of Achievement Motivation Development programs was conducted by David McClelland and team in mid 60s to develop indigenous entrepreneurs in India. The success of this experience was aptly recorded and reported in their book on ‘Motivating Economic Achievement’ by David McClelland and David Winter in 1967. Subsequent efforts to mould indigenous entrepreneurs in India using AMT as a main tool were found to yield good success rate and came to be known as the Gujarat Model. Many consultants associated with McClelland’s original work in India continued conducting Achievement and Power Motivation
labs to develop change agents in Indian organizations. A good number of organizations have successfully used AMTs either to build a culture of competitiveness or a culture of excellence in their companies. Organizations like Larsen & Toubro, Deepak Nitrite, Crompton Greaves, etc. have used the AMT interventions extensively.\(^8\)

Udai Pareek and Somnath Chattopadhyay have developed an instrument to measure the motivational climate of organizations using the six motive model: *Achievement, Expert Power, Dependence, Control, Affiliation and Extension*. The concept of extension motivation was formulated out of these six motives by Udai Pareek in mid-60s. Extension motivation was proposed as the main driver for social change in developing countries. Since then the concept of Extension Motivation has gained popularity and Extension Motivation labs are being conducted in the country. They are very popular interventions for NGOs and in the social services sector.

1.8 Approaches-OD

Existence of at least three planned change models have been identified by Cummings and Worley (1997) as shown in figure 1.1 below. The first and the second are principally different but the third one is an improved version of Action Research methodology.

**FIGURE: 1.1**
Kurt Lewin Model—The following is the sequence of various steps needs to be completed while implementing any OD program.

1. **Scouting** – Initial stages of consultant and client exchanging ideas on the problem and the appropriate approach.
2. **Entry** – Legal and valid contract formalizes the consultant and client relationship.
3. **Diagnosis** – Information gathering to enable problem definition and cause identification.

**Source:** Cummings and Worley (1997)
4 Planning – consultant and clients collectively establish the goals of an OD intervention and the proposed approach


6 Stabilization and Evaluation – the change is stabilized (freezing) and the outcomes are assessed.

7 Termination – withdrawal of consultant from the assignment.

**Action Research Model** - Initial stages of development of OD, the action research model (ARM) **Figure: 1.2** has been the organizing approach for practicing OD. Kurt Lewin, one of the widely recognized founders of the field of OD, is also credited with forwarding the ARM concept in the mid-1940s with his famous statement, ‘No research without action; no action without research’

**Figure: 1.2**

*Shewhart’s PDCA Cycle*

![Shewhart’s PDCA Cycle](image)

**Source: Deming, 1986**

Organization Development Process (ODP) Model - The ODP model consists of eight components.

**Figure: 1.3 Organization Development Process Model**
The brief description of each phase is as follows:

Entry – The first phase is when the OD professional (“consultant”), having done the requisite marketing, and a person representing the client organization (or part of an organization) (“client”) meet to decide whether they will work together, assess the readiness of the organization to change, and agree on the conditions under which they will work together.
Start-up – The next phase occurs after an agreement has been reached to work together, and a basic infrastructure (such as a client team with whom the consultant will work) is put in place.

Assessment and Feedback – This phase is sometimes called analysis or diagnosis; in this phase, the consultant and client, together, determine the organizational culture, including its strengths and weaknesses, and give this information to the organizational members. The assessment can also focus on a specific area of interest to the organization that might, because of its lack of depth, require much less commitment of time and resources.

Action Plan – Based on what was determined in the previous step, plans are mutually developed as to how the organization wishes to move forward, in terms of both goals and objectives and how these will be accomplished.

Implementation – In this phase, the plans that were made in the previous step are implemented; in OD jargon, this is called an intervention.

Evaluation – This phase answers the question, “How well did our intervention accomplish the objectives that were planned?”

Adoption – If the evaluation indicates that the objectives of the intervention were accomplished, then the change that was implemented becomes institutionalized; that is, it becomes a part of the way in which business is done in the organization. If the evaluation indicates that desired objectives were not met, then this phase is skipped. In both cases, the process begins all over again.

Separation – At some point, the consultant will withdraw from the intervention process, having transferred his or her skills to the client organization (again, whether the OD professional is internal or external). This may occur because additional change is no longer a priority to the client organization, or that it is not ready for the next stage of change. It may be because OD skills are needed that the current OD consultant does not possess. It may be that the consultant has been co-opted by the organizational culture and is no longer able to maintain objectivity. For whatever reason, separation should occur intentionally and not by just letting it happen.

1.9 Related Disciplines & OD

OD is not a conventional body of management knowledge that is developed centuries ago; undoubtedly it is a collective and cohesive effort of organizational employees at all levels to effectively combat the byproduct of application of Management Knowledge-Problem.
On a quick look OD appears to be not too different from strategic management. But in reality there is a difference. Strategic management has traditionally defined organizational measures of success strictly in terms of short- and mid-term financial goals. This leads to a focus on the structural components of performance improvement (tools, technologies, systems), and a machine-like view of people, processes, and strategy. In contrast, organizational development combines management theory with best-practices from applied behavioral science. From an OD perspective, framing organizations as systems or machines reduces human beings to mere inputs, outputs, and processes. Human social systems are far too complex and organic to respond effectively to this view. Rather, they require strategies that reflect their overall health and performance. This calls for a perspective that values not just profits, but also builds the capacities of the human enterprise that creates them. OD focuses not just on how many golden eggs are laid today, but also on the growth and development of the goose that lays them.

Strategic Organizational development-It can be defined as a system-wide, multiple levels, long-term, alteration to realign the organization to its environment. There are six tasks or strategic building blocks lead to a hierarchical model of organizational development, Figure 1. They are markets, products and services, resource management, operational systems, management systems, and corporate culture. All six tasks are essential for the wellbeing of the firm, and must occur concurrently. However, the comparative prominence on each task or level of the Pyramid will differ according to the organization’s stage of growth (Flamholtz, 1995). The top four levels of the pyramid, which form the ‘infrastructure’ of the firm, are less vulnerable to imitation (Flamholtz, 1995), and, accordingly, provide the basis for long term sustainable competitive advantage. Thus, although competition between firms takes place at all levels, long-term sustainable advantage is primarily found at the top three levels.

**Figure 1.4 - Pyramid of Organizational Development: The Six Key Building Blocks of Successful Organizations**
1.10 Human Resource Management & OD

There are numerous versions of disagreement on similarity between OD and HR, in majority of organizations OD is combined with the HR function. Many are in a dilemma whether OD is a subset of HR or HR is a subset of OD. Debate continues with a view that both are complementary in nature, with different process. Some believe that HR and OD are slowly but surely merging, while others see them as necessarily distinct and different disciplines and believe that merging them is definitely obstructive and can lead to conflicts of interest. Though strategic HR progresses and HR is seen as more and more of a strategic, still OD is required for the organization as it applies the acquaintance of behavioral sciences, the acquaintance of which extensively promotes the wellbeing of the organization and the people within it.

1.10.1Role of HRM in Organizational Change

Change is synonymous with development of organization and problem solving. Majority of the problems are manifestations of competition, advanced technology, mergers, expansion,
product quality maintenance, or enhancing employee efficiency on the one hand and rapid
growth, new business ventures, exciting opportunities, innovations, and new leadership and
management approaches (Madsen et al., 2005, p-213) on the other.

Organisational change is defined by shifting from one stage to another or it is concerned with
breaking down existing structures and creating new ones (Chonko, 2004). Barnett and Carroll
(1995) defined it as a transformation between two points in time with the key ability to
compare the organisation before and after the transformation. Change might be small or large
but are concerned with improvement, variation, alteration or modification of something
(Bennett, 2001). The source of change is both internal and external pressures associated with
the expansion or need of businesses to respond to challenges. Internal change factors are
concerned with organisational growth, while external factors are associated with issues like
institutional and market volatility (Barnett and Carroll, 1995).

Potentially change in organisation is referred to as chaotic and dramatic (Gleick, 1987;
Abrahamson, 2000), because transferring from a known to an unknown position can develop
particular uncertainties, anxiety and ambiguities. In this position, employee can develop
different thoughts, feelings and behaviours towards the situation which might involve painful
learning and relearning and create a feeling of uneasiness and tension. It is important to
remember that humans have different individual life experiences, motivational levels, socio-
demographic characteristics, knowledge, attitudes, support systems, values, and behavioural
patterns (Ilgen and Pulakos, 1999). Employees approach organisational change in different
ways as some individuals perceive that it can provide opportunities for learning and growth,
while others view it as a threat. Successful adjustment to change can result in higher levels of
enthusiasm providing opportunities for learning and growth, while poor adjustment to change is
characterised by feelings of uncertainty, frustration, alienation, and anxiety, particularly in
relation to issues of job security, status, work tasks, co-worker relations, and
reporting relationships (Ashford, 1988; Holt et al., 2007). Thus, consultants and
researchers require to establish the higher level of employee readiness predictors so that
management can endeavour to understand the maximum level of individuals’ beliefs, intentions
and perceptions during implementation of change programmes.11
Competing with important and often unknown challenges, managers of organisations are anxious to know how to survive for future and stay competitive. Change agents and practitioners suggest that an organisation must change its policies, strategies, structures, approaches, culture, and procedures to compete (Cummings and Worley, 2005). In the organisation, change may be small or large, quantum leap or incremental but requires proper attention because its consequences affect organisational performance, development, reputation, competition and future survival. Although in any sort of situation organisations require proper processes for controlling disruption and challenges.

Stress among employees can be disseminated by different factors like environment, culture, and situation. Employee response might be in favour or against, because of different feelings, thoughts and behaviours (Armenakis et al., 1993; 1999). However, these feelings and perceptions can be learned by past experiences and demographic values. The literature reveals that stress due to organisational change is caused not only by the organisation but a prime source is employees within the organisation (Vakola and Nikolaou, 2005). Beliefs, behaviours and attitudes of different employees might be different in same job and the same place because of different individual perception levels. Thus, it is difficult for change promoters and practitioners to anticipate the individual employee disposition level to manage the change programme. The sole desire of the organisation is getting positive results to change initiatives, and in order to achieve that managers and change promoters need to know more employee readiness predictors.

The existing literature on change management supports the idea that main focus has been concentrated on employee attitudes, behaviours, perceptions and beliefs which depend upon past experience, current situation, and future perspectives (Armenakis et al., 1993; Ilgen and Pulakos, 1999; Bernerth, 2004). Regarding attitudes and behaviours, employee may have a positive or negative judgment of a change implemented by the organisation (Lines, 2005).

1.11 Human Resource Development & OD
In recent years, HRD is emerging as an important function According to Grieves and Redman (1999), HRD seems to be ‘living in the shadow of OD’. HRD is playing a major role in
organizational solutions to strategic issues, focusing on identifying the core skills. Both are discharging the responsibilities of Change agent. But HRD professional very often act as an Internal Change agent whereas OD Professional as an external change agent. HRD focuses more on individual employee-oriented development policies and procedures; OD is concerned more with development of an organization as a whole.

Within organisation, employees have been found to be a useful and successful source for mobilisation of organisational assets, while change management has explored the essential and dominant factors for sustaining organisational change programmes (Armenakis et al., 1999; Smith, 2005; Susanto, 2008; Elias, 2009). Literature of change management adds the idea that before or during the launch of any change programme, change promoters and agents should develop employee positive attitudes, beliefs, and intentions towards the proposed organisational change (Armenakis et al., 1993, Bernerth, 2004). Heracleous and Langham (1996) advocate that understanding of employee is imperative for managing change due to the subtle issues involved. Armenakis et al. (1993; 1999) point out that employee positive response is viable towards change because of the level of their involvement. Viewing employee as a centrifugal force, researchers in the main have focused on employee issues to support the development of positive behaviours and attitudes (Eby et al., 2000; Cunningham et al., 2002; Madsen et al., 2005; Rafferty and Simons, 2006; Cinite et al., 2009). These issues can be broadly classified into two categories like individual and workplace factors. Cunningham et al. (2002) advocate the idea that research on individual, process, and workplace factors in readiness for organisational change is important to success. The following section discusses the role of employee in organisational change.

1.12 Change Management & OD

Many view OD and Change management as same. At certain times organization needs to undergo dramatic changes, the organization take swift and unplanned actions in order to survive. It may require outsourcing domestically or to another country, downsizing, reductions in salaries, and increasing health care costs etc., in such circumstances organizations cannot rely on use of OD because it has been understood that OD attempts to bring a planned change. While all types of changes may be absolutely necessary for the survival of the organization, they do not necessarily follow the OD processes, principles, or values. According to Beer and Nohria (2000) an outstanding difference between OD change and change is that Change management does not
follow OD principles they argued that there is *E change* (economic value) and *O change* (organization’s human capability), one of which is planned and follows OD principles (O), while the other (E) is market driven and does not follow OD principles; both can be included in what many people call change management. So, it is a mistake to compare OD with change management. The business benefits when *both* types of change are declared within an organization. While long-term, system wide planning that results in change (the OD model) can be very advantageous for an organization and its bottom line, letting down to act quickly and to make immediate decisions, even when those processes violate OD principles, may well result in the downfall of the organization.12

1.13 OD Interventions
Aim at improving organizational performance and employees’ well being. According to Robbins (1994), OD integrates a collection of planned change interventions that relies on humanistic and democratic values, aimed at improving organizational effectiveness, and employees’ well being. OD interventions rely on the following values: respect for people, trust and support, power equalization, confrontation and participation. The OD interventions can be broadly classified into 6 groups

**Comprehensive Interventions:** Comprehensive interventions typically involve a full-size group of stakeholders, working toward the definition of a future state. These interventions start from top levels of the organization, to analyze, plan, and define the intervention’s outcomes, then, people are involved in the solution, creating with this a shared commitment, and a “contagious of effect” effort, which will support the implementation of defined actions in the long term. Some examples include the following: appreciative inquiry summit, future search, open space and real time strategic change.

**Strategic Interventions:**
Strategic interventions contribute to align the organization with its environment. Strategic intervention help organizations to gain a better understanding of their current state, and their environment, that allow them to better target strategies for competing or collaborating with other organizations. They include strategic planning and goal setting, visioning, scenario planning, benchmarking, climate survey, culture change.
Techno Structural Interventions  Techno structural interventions focus on improving the organizational effectiveness and human development by focusing on technology and structure. These interventions are rooted in the fields of engineering, sociology, and psychology, combined with socio-technical systems and job analysis and design. These types of interventions rely on a deficit based approach; the idea is to find problems to solve. Few such interventions are organizational structure, organization systems, business process redesign, space and physical settings, socio-technical systems, change management, job design, competency-based management, knowledge management.

Management and Leadership Development Interventions-These types of OD interventions aim to improve organizational performance by increasing effectiveness of formal and informal leaders. Their use is wide spread, and almost all organizations have programs in place to identify, measure, and improve the quality of their leaders. They include executive and professional development, mentoring, coaching, action learning, action science, MBO, succession planning, 360 degree feedback, participative management, technical / skills training.

Team Development and Group Processes Interventions-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 underlying premise is that the aggregated value of the team is much greater than any individual.

Individual/Interpersonal process-Individual / interpersonal process interventions aim at improving organizational performance by developing specific skills of individuals. Given its nature, these OD interventions are the most personalized of all, and probably the most widely used by organizations. The most common examples of this type of interventions are learning strategies, life transitions, mentoring, and interpersonal communications, among other.

1.14 OD Interventions-Indian Experiences
Among available OD interventions and tools, the most prevalent ones and those that have met with reasonable success in effecting the desired change are

- Training
- Action research
- Survey feedback
- HRD and HRD Audit
- Role focused interventions
- Person focused interventions

**Training** - Today, training in organizations is considered as continuously evolving exercise, driven by dynamism in interaction networks prevailing across participants and interest groups - internal and external to the organization. This doctrine is distinctive from that of past perception of training as a static and mechanistic activity to address deficiencies. Training enhances conscious levels of participants, employee awareness on gaps between reality and ideals, common practices to address problems and difficulties and generate ideas for change, energy levels for change. As a consequence of such dynamic and multifaceted approach, training of late assumes the status of an effective O.D. intervention. Conventionally one finds in-house training programs commonly held at various levels of the hierarchy, irrespective of whether or not the organization has formally launched any OD efforts. Training workshops can be effectively implemented to diagnose and solve organizational problems without sacrificing their educational objectives. This is vividly demonstrated through the experience of two Indian OD consultants, V. Nilakant & S. Ramanarayan at Chemcorp-a large successful public sector unit in the chemical industry.

In 1983, Chemcorp realized an imminent requirement to train its employees throughout the corporation - senior management, middle management and supervisors. The Tata Management Centre was approached for this purpose, which first insisted on to conduct a training needs assessment workshop to determine the scope and content of training followed by a workshop for the Chairman & Managing Director (CMD) and top management to agree on the strategic direction which would provide a basis for the training. Some of the observations that were made on the basis of the training needs assessment workshop were:

- Senior management considered themselves as technical specialists rather than managers
• Prevalence of wide discontent on personnel polices
• Lack of motivating & supervisory skills among senior management
• High parochialism with respect to one's function and department
• Highly bureaucratic culture

Above observations formed the basis for conducting workshops consisting of a series of skill building exercises developed on various themes of learning - interpersonal relations, teamwork and leadership. The workshops revolved around real task related issues in the organization and aimed at aiding the participants to reflect on their experiences, learn collaboratively, and work together to generate choices or options to solve key organizational problems.

While the main focus of the training lay on skill building, more issues emerged during the workshops. Other departments shortlisted for evaluation as a result of the training were the HR department and R & D department. As credibility and support for the OD consultants started snowballing, they were assigned to develop a design for structure and manpower plan for a new plant and also to conduct a series of motivational workshops. The training offered employees a common language to explore their concerns and a forum where they discovered the shared and common conditions of their frustrations. They initiated incremental changes in the systems and processes, leading to overall organizational effectiveness. The most significant contribution of the intervention was that it created a climate that facilitated transformational change. Though, there was manifestation of discontent, it was combined with enhanced energy levels for change.

The consultants concluded that these efforts were the first step towards a cultural transformation of Chemcorp.

**Action Research as an Intervention:** The Indian Chemical Company Limited (ICCL) countered a serious problem of conflict between the Materials department and the user departments. The senior managers were particularly concerned about increased downtime of equipment, uncontrolled increase in inventory levels, long lead times in procuring items, large number of pending indents and intense mutual hostilities between the materials departments and the user departments. The consultants decided to undertake preliminary data collection. A task force was formed which worked with the consultants to identify the information needs, undertake a data collection and analyze it to understand the problems.

*highlights of the Preliminary data analysis*

• Wearing out of plants leading to machinery breakdowns
Low coordination among user departments leading to increased pending indents-3,000 and high lead time 17-41 weeks for the user department to receive the materials.

Static structure and functioning of materials department since 5 years despite increased quantum of work and ever changing user requirements

Advance raising of indents much before actual requirements leading to mini-stores in user departments

Pile up of inventories

Interpersonal relations were exhausted by managers to complete tasks

High degree of mutual hostility and lack of cooperation, also between stores and purchase personnel.

The above observations, lead to the following recommendations

The sole reason for prevalence of above problems is system failure rather than incompetence of personnel. Hence, the present task was to set the system right. The approach was to create a position capable of integrating persons responsible for all requirements of a particular user department & interface it with the procurement executives in the materials department, leading to better responsiveness to customer needs.

Responsibility of purchase of low value materials was delegated to the user departments to reduce complaints of inordinate delays, and allow the materials department to devote attention to high value items.

IT enabling was envisaged to reduce the work burden of materials personnel and make their functioning more effective.

Appointment of department level work force was recommended to monitor the changes being implemented.

Above recommendations prompted to assign detailed action plan preparation by departments within a period of 7 months.

Implementation and follow-up of the results was completed by the consultants.

Following are the findings of the follow-up:

Huge drop in number of pending indents to less than 250.

Inventory level displayed a marked decline.

Smooth functioning of Procurement system by user department.
• Huge drop in complaints from user departments.
• Formation of multiple task forces enhanced involvement in lower level employees.

While the above observations indicate a near fairytale ending to the ICCL problem, results didn’t match projections on computerization. User’s adaptation was low and combined with considerable resistance to change. The task force then realized the imminent need to tackle this issue and devised specific action plans aimed at securing maximum benefits from computerization. Thus action research, as an OD intervention served in cultivating a climate of increased collaboration, participation and involvement, increasing interdepartmental interface.

As the employees became self reflective, meaningful solutions arose for practical concerns & problems, but more importantly there was a development of self-help competencies to deal with the problems in the future. 12

Survey Feedback as an O.D. Intervention-Although survey feedback is recognized as a potential OD tool since a long time, corporate India used it only from mid 1970s onwards as an important part of HRD function. The survey feedback has been used extensively by T.V. Rao, in various capacities:

• As a sensing instrument
• Input for organizational improvements
• Input strategic shifts in structure, styles & personnel policies
• Input for team building
• Input for initiating cultural changes
• Input for developing motivating climate

Among Indian organizations using survey feedback as a sensing instrument are Crompton Greaves and Larsen & Toubro (L & T). While L&T commenced HRD activities in a systematic way in 1975 and has been using organizational climate survey, Crompton Greaves used the same in 1982. Both organizations positively experienced climate surveys as a critical tool to provide insights into areas of improvements. On the basis of initial experience, Crompton Greaves has even made this survey research an institutionalized biannual affair.

Voltas, during 1988-89, decided to initiate organizational improvements using survey feedback. As a part of this study, a survey of the HRD climate was conducted in the company. The
interview survey focused on all subsystems of HRD including organizational structure, employee satisfaction, communication meetings, appraisals, training, promotion policies, etc. The survey led to extensive strengthening of the HRD system in the organization.

The cultural change & leadership development experience of the Mafatlal group aptly illustrates the utility of survey feedback for OD. This group had five divisions - each headed by a unit head. Since the leadership styles differed, each of the units was perceived to have a different style. As the company strove to establish a high degree of quality consciousness, it saw that certain leadership styles were conducive, while others failed in creating a high positive impact. The issue was then to help the unit heads to recognize and reassess the impact of these leadership styles on the organization, followed by decision to apply survey feedback to usher change among entire top team. Accordingly a team of consultants was commissioned to survey the organizational culture at various locations and assist the participants through feedback to ascertain the relationship between their style and the culture they were building. The following areas were evaluated with the aid of questionnaires:

- Existing strength of the divisions against its strength 3 to 5 years earlier.
- Employee satisfaction levels on decision making, autonomy, role clarity, job satisfaction and team spirit.
- Conflict resolution mechanisms.
- Organizational learning.
- HRD climate.
- Corporate management style

Additional questionnaires were developed to evaluate managerial effectiveness, leadership styles, influence style, change agent traits and excellence standards of top management. Subsequent to analysis of data obtained through workshops, the consultants prescribed and conducted a detailed training to the top management on conceptual issues. Feedback on organisational issues formed the core of the training, to aid the top management in developing a collaborative culture and implementation of innovative and efficient systems leading to overall organizational effectiveness.
Role Focused Interventions-A large number of organizations have applied role based interventions. During practice and implementation of restructuring exercise, "Role Clarity" assumes the status of an issue. Role Clarity and Role Negotiation exercises are initiated and practiced by many Indian firms. The role negotiation exercises normally surface among departments. Indian managers are fast on tendency to distinguish themselves and develop departmental loyalties too soon. As a result, sometimes the organizational goals suffer and interdepartmental conflicts increase. Role negotiation exercises, therefore, have been a very common practice to build a collaborative and synergistic culture. Udai Pareek's book 'Managing Organizational Roles' is a classic book and is widely used in India.

Role efficacy lab (REL) is a short process oriented program to diagnose the level of role efficacy in a group of employees in the organization and take steps to raise that level. The objective of such an intervention is to enable understanding of individual and group commitments with the top management, creating an opportunity to get moral support and reinforcement from the top management and providing a forum for top management to comment on the managers' expectations and accordingly prepare action plans. RELs are also very common in India. They are normally done as a part of training or restructuring interventions. As a training tool it aims at enhancing role efficacy. Role efficacy as a concept was formulated by Udai Pareek in the mid-seventies.

Role Stress comes to play in a relationship oriented culture where people who are required to play multiple role get subjected to additional stress. Also dual reporting in matrix structures creates newer issues. Role stress programs are also conducted by Indian O.D. practitioners.

Person Focused Interventions-All people focused interventions focus on individuals working in organizational context and have great relevance to various HRD subsystems like training, performance development, counseling, etc. These interventions can be classified as mainly:

*Participant active interventions:* encounter groups, role playing, instrumentation, self study & reflection and awareness expansion. These are used largely as training interventions. However organizations are also increasingly using instrument based feedback. Use of MBTI, FIRO-B, 16 PF and such other instruments is very common. There are innumerable Handbooks on Psychological and Social Instruments published in India. Notable among these are the one by Pareek (1997) and Pareek and Rao (1975), and Pestonjee (1982). Self assessment through
Feedback on Instruments (SAFI services) was an organizational intervention to promote self assessment for managerial effectiveness in late 70s. A few organizations have established such centers but they didn’t take off due to lack of trained manpower and sustainable interest of HRD departments.

*Facilitator Active Interventions:* psychodynamic methods, motivation approach, training, feedback and coaching & mentoring.

*360 Degree Feedback Based Interventions:* In the recent past some of the Indian organizations are using multi-rater assessment methods to initiate change process. The first systematic program using this method was initiated at the Indian Institute of Management Ahmadabad in 1987. A number of CEOs from Indian firms and MNCs were participants in this program. They were provided with feedback on their Management Styles, Leadership Styles, Leadership Roles, Delegation, and other competencies. An experience with this methodology was limited to the Indian Institute of Management till early 90s. Soon after the 360 Degree feedback coveted popularity there is a renewed interest in using this methodology to bring change in the styles and effectiveness of top level managers. This intervention is beginning to gain momentum.

*Achievement Motivation Labs:* Experiential programs intended to develop and augment achievement and power motives among the participants. The first set of Achievement Motivation Development programs was conducted by David McClelland and team in mid 60s to develop indigenous entrepreneurs in India. The success of this experience was aptly recorded and reported in their book on ‘*Motivating Economic Achievement*’ by David McClelland and David Winter in 1967. Subsequent efforts to mould indigenous entrepreneurs in India using AMT as a main tool were found to yield good success rate and came to be known as the Gujarat Model. Many consultants associated with McClelland’s original work in India continued conducting Achievement and Power Motivation labs to develop change agents in Indian organizations. A good number of organizations have successfully used AMTs either to build a culture of competitiveness or a culture of excellence in their companies. Organizations like Larsen & Toubro, Deepak Nitrite, Crompton Greaves, etc. have used the AMT interventions extensively.

Udai Pareek and Somnath Chattopadhyay have developed an instrument to measure the motivational climate of organizations using the six motive model: *Achievement, Expert Power, Dependence, Control, Affiliation and Extension*. The concept of extension motivation was formulated out of these six motives by Udai Pareek in mid-60s. Extension motivation was
proposed as the main driver for social change in developing countries. Since then the concept of Extension Motivation has gained popularity and Extension Motivation labs are being conducted in the country. They are very popular interventions for NGOs and in the social services sector. This tool used to measure the Motivational climate is used as a diagnostic tool and on the basis of the diagnosis, training workshops are normally conducted to help the top management or senior managers of a company to evaluate and change the motivational culture. Some of these interventions essentially deal with enhancing or changing the motivational profiles of individuals and through them the culture of the organisation. Hence they are a medley of individual and organization interventions.

Typical AMT labs to enhance the Achievement of young managers or sales persons etc. are also common interventions. The most frequently used intervention is to build Extension Motivation (Service Motive) among the social service agents. 13

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of the organization</th>
<th>Type of Intervention</th>
<th>Impact of the Intervention</th>
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                                                                 2. Led to a cultural transformation in Chemcorp. |
| 2.    | The Indian Chemical Company (ICCL) | Action Research as an Intervention | 1. Cultivated a climate of increased collaboration, participation and involvement,  
                                                                 2. Increased interdepartmental interface. |
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|   | Larsen & Toubro (L & T) | Survey Feedback as an OD Intervention | Surveys as critical tools to provide insights into areas requiring improvements  
Offered insights into areas requiring improvements  

|   | Voltas | Survey Feedback as an OD Intervention | The survey led to extensive strengthening of the HRD system in the organization.  

|   | Mafatlal group | Survey Feedback as an OD Intervention | Enabled participants to recognize the relationship between their style and the culture they were building.  

|   | Majority of top most organizations | **Role Focused Interventions**  
1. Role Negotiation Technique (RNT)  
2. Role Efficacy Lab (REL) | RNT- to build a collaborative and synergistic culture.  
REL- provides a forum for top management to comment on the managers' expectations and accordingly prepare action plans.  

|   | Majority of top most organizations | **Person Focused Interventions**  
1. Self assessment through Feedback on Instruments  
2. Encounter groups, Role playing, Self study reflection and awareness expansion | SAFI-promoted self assessment for managerial effectiveness  


PROCESS ORIENTED ORGANIZATIONAL DEVELOPMENT (POD): Process oriented organizational Development (POD) is the application of Process Work and more specifically World work, to the field of organizational development. It identifies and brings awareness to the process of the organization and facilitates the unfolding of that process. Heike Hamann in his research on “What is Organizational Development from a Process Work Perspective?” Participants carried out a large range of interventions in the organizations they have worked with. The table below gives an overview of each intervention and shows frequency of implementation of an intervention by the four sample companies.\(^4\)

Table: 1.2

<table>
<thead>
<tr>
<th>Intervention</th>
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<th>Schupbach</th>
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<td><strong>PERSONAL</strong></td>
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<td>Coaching</td>
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<td>Learning Lab</td>
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<td>Work-life balance</td>
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<td><strong>INTERPERSONAL</strong></td>
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<td>Conflict resolution</td>
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<td>Communications</td>
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9. Majority of top most organizations

- 360 Degree appraisal Based Interventions
- Aided in ushering change in the styles and effectiveness of top managers.

10. Larsen & Toubro, Deepak Nitrite, Crompton Greaves

- Achievement Motivation labs
- Assisted to measure the motivational climate of organizations
Thus from the table it is evident that Coaching, Conflict resolution, Communications interventions, Team building/development interventions, Training, Group process facilitation, Strategic Visioning & Development, Myth Related Work are widely used interventions.¹⁵

**OD on Decline:**

The following are the prime reasons recommended by many researchers in Behavioral Science with regard to significance of OD in the past:

- There has been a separation of theory from practice and a suggestion that OD has moved away from its theory based roots to become more tool and technique oriented- *Bunker, Alban and Lewicki* 2004.
- OD has tried to impose its own humanistic values instead of working with organizations own values- *Porras and Bradford, 2004*.
- OD risks pandering to fads as organizational customers look for new fixes and solutions to facilitate change *Bunker, Alban and Lewicki* 2004.
OD practitioners Internal to the organizations are buried with HR functions, thus, loosing contact with senior executives Burke, 2004

- There seems to be a lack of clarity on OD contributions in building organizational values.
- OD practitioners need greater quality control/effectiveness and business intelligence.
- There is ambiguity on ROI in OD.

**Future of OD**

The merger of HRM, HRD and OD (Ruona & Gibson, 2004) or a strong partnership of these three is very much in anticipation since they are all striving to make organizations more effective through people. OD brings in the organization, system-wide change. OD professionals would require new business knowledge and skills as well as incorporating the bottom line into their values. Indeed this lack of business knowledge is also a frequent criticism of HR professionals. Hence Bruke therefore wishes that the integrated model provides a realistic way to reinforce and renovate both functions and to prompt novel thinking and imaginative action for the future. The mission for organizational effectiveness and high performance, nimble structures and processes, effective leadership and the challenge of change remain top priorities for senior managers. Thus there is certainly glorious future for OD.¹⁶

**References:**