

A Study Of Indian Organizational Development At Present

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INTRODUCTION

In today's world, change has become an inevitable part of life. Organizational Development is a change management strategy which has been in operation since the past 4 decades . It is based on an understanding of behavioral science and it is concerned with how people and organizations function and how they can be made to function better through effective use of human and social process. The turbulence facing the modern man and organization is at a level that may not have been experienced before in human history. The change may be influenced by how a consumer tests that change; competition arising from new technology, changing culture, process and higher demand for efficiency effectiveness, profitability and sustainability. Change may also arise from government legislation or demographics such as age, society and workplace.

Significant organizational change occurs, for example, when an organization changes its overall strategy for success, adds or removes a major section or practice, and/or wants to change the very nature by which it operates. It also occurs when an organization evolves through various life cycles, just like people must successfully evolve through life cycles. For organizations to develop, they often must undergo significant change at various points in their development. That's why the topic of organizational change and development has become widespread in communications about businesses, organizations, leadership and management.

ORGANIZATIONAL DEVELOPMENT

Organization Development (OD) is a planned, organization-wide effort to increase an organization's effectiveness and viability. Warren Bennis, has referred to OD as a response to change, a complex educational strategy intended to change the beliefs, attitudes, values, and structure of organizations so that they can better adapt to new technologies, marketing and challenges, and the dizzying rate of change itself. OD is neither "anything done to better an organization" nor is it "the training function of the organization"; it is a particular kind of change process designed to bring about a particular kind of end result. OD can involve interventions in the organization's "processes" using behavioral science knowledge as well as organizational reflection system improvement; planning and self-analysis. OD is a long term effort - led and supported by the top management, to improve an organization's vision, empowerment, learning and problem solving process through an ongoing collaborative management of an organization's culture with special emphasis on the culture of intact work team and other team configuration utilizing the consultant facilitator's role and the theory and technology of applied behavioral science, including action research. *There are many definitions, which have been given to describe the process; none of which is likely to be understood in the context of this paper. Organizational development simply may be described as a methodology or technique used to effect change in an organization or section of an organization with a view of improving the organization's effectiveness.* It has following attributes.

- ✿ A planned process of change;
- ✿ Applies behavioral science approach;
- ✿ Aims at the change of organization culture;
- ✿ Aims at reinforcement of organization culture;
- ✿ Applies to an entire system of an organization;
- ✿ Target long term institutional activity;
- ✿ A process managed by top managers.

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DIFFERENT CHARACTERISTICS OF ORGANIZATIONAL DEVELOPMENT

1. Value Of An Organization : As we can say that value of any organization is very important for its success, hence in an organization :

- ✿ The individual should be treated with respect and dignity;
- ✿ The organizational climate should be characterized by trust and support;
- ✿ Problem and conflict should be conformed; not be avoided;
- ✿ People affected by change should be involved in the implementation.

2. Organizational Development Approach : The distinction between **Lewin's** and action research model is in the respective nature of action research. Lewin's model is the once only intervention. **Buchanan and Huczynski (1997)** gave seven steps that are as follows for intervention:

- ✿ Scouting
- ✿ Entry
- ✿ Diagnosis
- ✿ Planning
- ✿ Action
- ✿ Establishing and evolution
- ✿ Termination

3. Organizational Development Intervention : The existence of certain conditions in an organization, which may describe the internal environment is some time assumed. Those who have been in an organization for too long cease to be conscious of such an environment and probably only newcomers notice such a condition. Different types of interventions are used when a need arises to change these conditions. Some of these methods are given below :

- ✿ Culture Analysis
- ✿ Process Consultation
- ✿ Structure change
- ✿ Team Building
- ✿ Role Negotiation

In a general way, some others characteristics are as follow:

1. Focus on culture and process.
2. Encourage collaboration between organizational leader and member in managing culture and process.
3. Focus on standardization in the organization.
4. Focus primarily on the human and social side of the organization.
5. Team of all kinds are particularly important for task accomplishments.

EVOLUTION OF ORGANIZATIONAL DEVELOPMENT IN INDIA

In India, O.D. and planned change started in the early 1960s. A group of Indian professionals trained at the National Training Laboratories (NTL) at Bethel, Maine, USA, and brought out a good deal of O.D. technology in 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 (IIM) programs in the mid 1960s. Unfortunately, these remained isolated efforts and did not take O.D. to its logical conclusions.

In the mid-1970s, O.D. was first introduced in India in Larsen and Toubro (L& T) as a formal and structured part of the HRD department. It was expected that the change process would get institutionalized and more O.D. specialists would be developed. Unfortunately, this did not happen as the corporate sector in the country has a very protected and secure environment and there were very few compulsions to change. Hence, O.D. remained mostly in academic institutions - the forte of a few specialists and largely was limited to T-group training and other training based interventions. That it has a slow growth is indicated by the fact that even after 25 years of existence, the Indian Society for Applied Behavioral Science (ISABS), an associate of NTL, produced less than 100 process specialists in such a vast country.

There have been several efforts to apply O.D. approach and associated techniques in India, but it has not created the desired impact. According to **Srinivas (1994)**, one plausible explanation for this is that O.D., as it has emerged to date,

is culture specific, that it cannot be simply applied to locations outside the US. The issue of non-transferability of OD technology to cultures such as India has arisen because of the fear or distrust of its techniques of confrontation. The general practitioner or the change agent style of informality and an attitude of openness is also not suited to 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 O.D. interventions may be possible. And such designs are likely to be accepted more readily in the country.

The scenario has changed, thanks to an increasing number of applied behavioral scientists and T-group trainers, the HRD movement and establishment of HRD departments, contributions of multinationals in India and the influence of Western education. Professional bodies such as ISABS (Indian Society for Applied Behavioral Sciences), Indian Society for Individual and Social Development (ISISD), Indian Society for Training & Development (ISTD), and the HRD Network, and academic institutions such as the IIMs (Indian Institute of Management) have further facilitated this. In the post liberalization period, every one has been forced to seek change. As a result, the application of O.D. technology has increased.

BROAD CONTEXT FOR ORGANIZATIONAL DEVELOPMENT IN INDIA

1. Understanding Organization, Leadership, And Management: To really understand organizational change and begin guiding successful change efforts, the change agent should have at least a broad understanding of the context of the change effort. This includes understanding the basic systems and structures in organizations, including their typical terms and roles. This requirement applies to the understanding of leadership and management of the organizations as well. That is why graduate courses in business often initially include a course or some discussion on organizational theory. This topic includes several links to help you gain this broad understanding.

2. Understanding Organizational Performance And Management : Organizational change should not be conducted for the sake of change. Organizational change efforts should be geared to improve the performance of organizations and the people in those organizations. Therefore, it's useful to have some understanding of what is meant by "*performance*" and the various methods to manage performance in organizations.

3. System Thinking : The past few decades have seen an explosion in the number of very useful tools to help change agents to effectively explore, understand and communicate about organizations, as well as to guide successful change in those organizations. Tools from systems theory and systems thinking especially are a major breakthrough. Even if the change agent is not an expert about systems theory and thinking, even a basic understanding can cultivate an entire new way of working.

ORGANIZATIONAL DEVELOPMENT INTERVENTIONS THAT HAVE BEEN APPLIED BY INDIAN ORGANIZATIONS

1. Training
2. Action research
3. Survey feed back
4. Human resources development and its audit
5. Role focused interventions
6. Person focused interventions

1. Training As An Organization Development Intervention : Training, today in organizations is viewed as continuously evolving, dynamic networks of interactions between different participants and interest groups within and around the organization. This doctrine is very much different from the past perception of training as a static and mechanistic activity to address deficiencies. Training raises the consciousness of participants, makes people aware of the gaps between reality and ideals, provides a common language to articulate shared problems and difficulties, generates ideas for change, and creates greater energy for change. As a consequence of such dynamic and multifaceted approach, training has proved to be an effective O.D. intervention. One finds that inhouse training programs are commonly held at various levels of the hierarchy, whether or not the organization has formally launched any O.D. efforts. Any O.D. process is initiated with a thorough diagnosis of the '*symptoms*'. Training workshops can

be effectively used to diagnose organizational issues without sacrificing the educational objectives of these programs. This is vividly demonstrated through the experience of two O.D. Indian consultants, V. Nilakant & S. Ramanarayan at *Chemcorp*, a large successful public sector unit in the chemical industry.

In 1983, *Chemcorp* realized an urgent need to train staff (three groups-senior management, middle management and supervisory staff) throughout the corporation. The Tata Management Centre was approached for the same. Tata Management Center decided to first 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 largely saw themselves as technical specialists rather than managers;
- ✿ Wide discontent regarding personnel policies;
- ✿ Lack of motivating & supervisory skills at the senior management level;
- ✿ High parochialism with respect to one's function and department ;
- ✿ Highly bureaucratic culture.

On the basis of the above observations, it was decided to conduct workshops consisting of a series of skill building exercises based on the 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.

The various reasons why training can be used as an efficient O.D. intervention have been summarized below : -

1. It provides a medium of participation and involvement.
2. It allows for greater personal learning and insight about organizational problems.
3. It facilitates acceptance of the diagnosis since it emerges in a setting of common language & symbols.
4. It facilitates the establishment of trust and collaboration among the participants & between the participant and the trainers.

2. Action Research Intervention: Action research is a data based problem solving model that replicates the steps involved in the scientific method of inquiry. As an O.D. intervention, action research has pointed out to more efficient resolution of practical problems, better understanding of ground realities by social scientists and generation of new insights for theory building. How it can be used as an intervention to initiate change is explained in the case below **(Ramnarayan, Rao and Singh, 1998):**

The Indian Chemical Company (ICCL) was facing a serious problem of conflict between the materials department and the user department. 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 data collection and analyze it to understand the problems. Analysis of the preliminary data collection highlighted the following issues:

- ✿ Aging of plants resulting in equipment breakdown;
- ✿ Poor coordination between the user departments leading to increase in the number of indents;
- ✿ No change in the structure and functioning of the materials department over the last five years, despite increase in the quantum of work as well as change in the user requirements;
- ✿ Raising of indents much before actual requirements arose, leading to user departments having their own mini-stores;
- ✿ Interpersonal relations were used by managers to get things done.

The above observations lead to the following recommendations :

- ✿ The data suggested system failure, rather than incompetence of personnel. Hence, it was decided to target the system and setting it right. The solution was to create the position of an integrating person, who will be responsible for all the requirements of a particular user department & interface with the procurement executives in the materials department, which would lead to better responsiveness to customer needs.
- ✿ Responsibility of purchase of low value materials was decentralized to the user department themselves. Making them responsible would then reduce the complaints about inordinate delays and allow the materials department to

devote attention to high value items.

✿ It was envisaged that computerization of the work system could considerably reduce the work burden of materials personnel and make their functioning more efficient.

Thus, action research, as an O.D. 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 problems of the future.

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

- ✿ As a sensing instrument;
- ✿ For organizational improvements;
- ✿ For strategic shifts in structure, styles & personnel policies;
- ✿ For team building;
- ✿ For initiating cultural changes;
- ✿ For developing new technology;
- ✿ For improving competitive advantage;
- ✿ For developing motivating climate.

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

The consultants then analyzed the data obtained through the workshop. The top management was given detailed training on conceptual issues. Detailed feedback on various organizational issues was provided, which further helped the top team to develop a collaborative culture and implement innovative and efficient systems, leading to overall organizational effectiveness.

4. Human Resource Development Intervention : Perhaps India is the first country to formally establish a totally dedicated HRD (Human Resources Development) Department separated from the Personnel Department. This was designed in the year 1974, when the term HRD itself was not very popular in the USA. Two consultants from the Indian Institute of Management, Ahmedabad - Dr. Uday Pareek & Dr. T V Rao- after reviewing the effectiveness of the performance appraisal system and training in *Larsen & Toubro* recommended an Integrated HR System to be established and the department dealing with development issues be separated out from the personnel department and be called the HRD department. Thus, the first HRD department was established. It was followed in the banking sector by the State bank of India and its Associates to start a series of new HRD departments. By late seventies, the concept of HRD and the need for having separate HRD departments picked up momentum. In Pareek and Rao's model of HRD department, the objective of this department is to facilitate learning and change in the organizations. This department is supposed to have learning specialists who facilitate change process. In their model, O.D. was conceived as one of the main tasks of the HRD department. Thus, an attempt was made to institutionalize O.D. through HRD departments. As the departments picked up momentum, a lot of O.D. work had begun to be done through the HRD departments. In fact, most change interventions have been and are being made by the HRD departments (as differentiated from the Personnel departments) . The HRD Managers in India do undertake a number of interventions which may be classified as O.D. interventions. The nature of interventions undertaken by the HRD departments include:

- ✿ Cultural change through new performance management systems;
- ✿ In most cases, these are undertaken also by a separate group of professionals'
- ✿ Role clarity and Role negotiation exercises;
- ✿ Training;
- ✿ Career Planning and Succession exercise;
- ✿ Assessment Centers and promotion policies;
- ✿ Visioning and value clarification exercises;

- ✿ Performance coaching workshops;
- ✿ Team building interventions.

The Academy of Human Resources Development has come up with a concept of IOAC (Individual and Organizational Assessment Center), which is becoming popular as an intervention by the HRD departments. In this concept, the HRD department establishes an Assessment Center with the purposes of assessing and developing the competencies of individuals as individuals, individuals in relation to their current and future roles, dyadic relationships, teams, inter-team collaboration and work and organizational climate and synergy.

5. Role Focused Intervention: A large number of organizations have used role based interventions. Whenever there is a restructuring exercise, "role clarity" becomes an issue. Many organizations in India keep conducting role clarity and role negotiation exercises. The role negotiation exercises normally are between departments. Indian managers tend to differentiate themselves fast 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. For a typical design in role efficacy, see **Ramnarayan, Rao and Singh (1998, p.110)**

6. Person Focus Intervention: All person focused interventions focus on individuals working in an organizational context and have great relevance to various HRD subsystems like training, performance development, counseling, etc. These interventions can be mainly classified as mainly:

✿ **Participant Active Interventions:** Encounter groups, role playing, instrumentation, self study & reflection. These are used largely as training interventions. However, organizations are increasingly using instrument based feedback. Use of MBTI, FIRO-B, 16 PF and such other instruments is a common practice. There are a number of Handbooks of 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 seventies. A few organizations have established such centers but they have not taken off due to lack of trained manpower and sustainable interest of HRD departments.

✿ **Facilitator Active Interventions:** Psychodynamic methods, motivation approach, training, feedback, coaching & mentoring.

INDIAN EXPERIENCES FOR ORGANIZATIONAL DEVELOPMENT

Following issues have been reported by the Indian experience for change and organizational development:

✿ In traditional methods of managing change, there is no participation of those affected by it during the phases of diagnosing, action planning, action taking, evaluating and specifying learning. Also actions, if taken, are rarely explained to employees; data shared is minimal. All these factors lead to frustration and alienation among employees. Therefore, interventions should be chosen such that the approach goes beyond superficial participation and attempts to tap employees' competencies for their greater benefit.

✿ O.D. is based on the human processes approach, focusing on interpersonal relationships during the course of interventions. Such an approach may not be feasible in the Indian context.

✿ There should be clarity with respect to the ultimate change goals and identification, where the organization is headed for. The "pull" effect of future aspirations works much better than to "push" people through change. Also, it is important to sustain the enthusiasm of those involved even after the excitement associated with initiation and accomplishment of some early wins.

- ✿ Another important theme concerns the role of leadership, articulating the visioning process & sharing the vision, establishing and articulating purpose; developing change initiatives and programs to guide implementation; communicating with and listening to people, dealing with questions and frustrations; generating feelings of empowerment in organizational members during times of significant change.
- ✿ In India, the role of the government in regulating the activities of an organization is considerable, particularly in the public sector and to some extent, in the private sector as well. While initiating any O.D. effort, the influencing role of the government cannot be ignored.
- ✿ In O.D. based change effort in the Indian context, it is sine qua non to take into consideration the prevailing cultural norms, attitudes, beliefs, etc. and leverage the functional ones for making the change effort a success.
- ✿ An issue of concern primarily in Indian organizations is initiating through O.D., structure and processes particularly making functioning flexible and less bureaucratic and decentralizing, but at the same time, it is imperative to strengthen accountability; develop a collaborative culture and reorient people and roles to make them more adaptive.
- ✿ Change of any nature is highly likely to be an intensely political process. One needs to understand the power issues and ensure that the change process does not get dysfunctionally caught up in political conflicts.

ORGANIZATIONAL DEVELOPMENT IN INDIA - CHALLENGES FACED BY ORGANIZATIONS IN PRESENT TIMES

- ✿ In India, managing change of any kind requires a great deal of perseverance and patience. The organization may not always be changing in the desired pace and direction, but nevertheless, it is changing. O.D. practitioners should respect this and learn to observe and facilitate the process with appreciation & tolerance.
- ✿ The O.D. practitioner should be mentally and emotionally prepared for problems he may encounter along the way. This requires a combination of creativity, patience, productivity and motivational ability when the pace slackens.
- ✿ The practitioner should also focus attention on the timing of interventions. The organization may be most ready for unfreezing and implementing changes when it experiences the most difficult times.
- ✿ The most crucial task that the practitioner needs to perform is that of creating a learning culture in the organization. This should be done by assisting the organizational members reflect on its mindset, its consequences, learn its ways towards the new mindset and this process has to be closely facilitated.
- ✿ A very important aspect of the O.D. intervention that the practitioner needs to focus on is communication. The objectives of the O.D. intervention undertaken, the changes desired, the action plans formulated by discussion with the top management should all be clearly communicated across the organization. Communication systems and information flow should be well established and transparent.
- ✿ O.D. practitioners should bear in mind that the success of any intervention depends on several factors such as prevalent mindset, existing work identities, the kind of media and forum available for unfreezing actions and resources available and should estimate the time for change to take place.

SOME DIRECTIONS FOR INDIAN ORGANIZATIONS FOR PURSUING SYSTEMATIC RESEARCH IN FUTURE

- ✿ Where organization development and change intervention had failed-the factors responsible for this failure, the organizations characteristics, the interventions used, and the strategy followed should be analyzed.
- ✿ There should be proper leadership style implemented for the CEO for the success of an organization.
- ✿ There should be improvement in technology from time to time when it is needful.
- ✿ There should be proper motivation among the employees of the organization.
- ✿ The study of organizational development and change should be competencies by the senior and middle HR manager of the Indian organization.
- ✿ A comparison of consulting style of external and internal organizational development and change consultants in India should be done.

CONCLUSION

At present, serious questioning has emerged about the relevance of OD to managing change in modern organizations. The need for "*reinventing*" the field has become a topic that even some of its "*founding fathers*" are discussing critically. O.D. practitioners must acknowledge the existence of the trauma, provide a safe place for employees to discuss their feelings, symbolize the trauma and put it into perspective, and then allow for and deal with the emotional responses. One method of achieving this is by having employees draw pictures of what they feel about the situation, and then having them explain their drawings to each other. Drawing pictures is beneficial because it allows employees to express emotions they normally would not be able to put into words. Also, drawings often prompt active participation in the activity, as everyone is required to draw a picture and then discuss its meaning. While the basic concepts and mechanisms have been studied in the west, they have been altered and developed to suit the largely relationship driven culture of Indian organizations, leading to very favorable changes, both structurally and culturally in many of them. The realization that learning in today's competitive and fast changing environment is not a mere desirable luxury, but a frequent necessity, has not only created a conducive milieu for further growth and intensification of O.D., but also has thrown open challenges for social scientists & O.D. practitioners in India at present.

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