**MODULE 5**
**INTRODUCTION**

Organizational culture is always a critical issue among academics, management and organizations practitioners. It shows the vitality of organizational culture for the dynamics of an organization that requires continuous management and development, both on a theoretical and practical level. Organizational culture is interpreted diversely by experts, among others as a social understanding shared by members of the organization and believed to be rules, norms, which confirm the attitudes and behaviors of organizational members (Colquitt et al., 2014); a set of values, assumptions, and beliefs shared in the an organization (McShane & von Glinow, 2015; Schein, 2017); a collection of assumptions, beliefs, values, and norms shared with members of the organization (Newstrom, 2015); a value system that is lived firmly by its members to distinguish certain organizations from organizations other organizations (Robbins & Judge, 2019). Thus, organizational culture reflects the values, belief, and norms of behavior that are understood, accepted, and shared by members of the organization as a basis or reference for behaving within the organization that distinguishes it from other organizations and faces external and internal organizational problems. This condition causes an organizational culture to always be specific and unique so that it is not the same as one another.

**DETERMINANTS OF ORGANISATIONAL CULTURE**

**1. Leadership**

How important is status in the organisation? How close or removed are top management from the shop floor? What gets rewarded and recognised by leaders? How do leaders communicate with their employees? How trusted are leaders?

**2. Workload**

To be clear, this is not an observation of the work itself, but of the expectations of how much of a load employees are expected to carry. Is the workload distribution equitable? Is it predictable? When an employee arrives for work today, will she know what lies ahead during the day? Is the workload shared and what happens to the work when they take leave?

**3. Capability**

How well are people trained to do their jobs? How long does it take for an employee to reach a level of job mastery? Is the approach to learning and to training structured so that employees can expect to reach a level where they can function in an autonomous way?

**4. Relationships**

Does the workplace support and encourage relationship building? What are the social norms of the workplace? What happens if somebody steps outside the social norms? Do employees trust the organisational complaint or grievance systems? How dependent are employees on one another in being able to achieve success?

**5. Controls**

What job controls exist to guide the work? How closely are people supervised? Is their work checked, approved or randomly sampled? Can an employee expect to receive regular feedback on their performance from a line supervisor?

**CHANGING THE CULTURE**

1. **Define desired values and behaviors.** Do people understand them and how they relate to day-to-day behavior? Come up with behavioral descriptors for each value you define and

articulate how those would translate into actionable behaviors at all levels—from secretaries to middle managers to executives, Sabapathy advises.

2. **Align culture with strategy and processes.** Do your mission, vision and values line up with your HR processes, including hiring, performance management, compensation, benefits and the promotion of talent?

3. **Connect culture and accountability.** It is easy, particularly in difficult times, to forget the values you set in place to define your company, he says, citing Enron and WorldCom as examples. However, companies have a better chance at weathering disaster if they take responsibility for their actions, Sabapathy says.

4. **Have visible proponents.** For culture change to stick, it must be a priority of the CEO and board of directors. "Show the board a framework for understanding organizational culture and its impact on performance," Sabapathy says. Work with the board to create a standing performance objective for the CEO that evaluates culture.

5. **Define the non-negotiables.** When contemplating a culture change, look at your current culture and call out which aspects you want to retain. Determining what's not up for debate is particularly important during mergers and acquisitions, when leaders of two or more organizations must figure out how to blend identities.

6. **Align your culture with your brand.** Culture must resonate with both employees and the marketplace. To accomplish this, HR increasingly is partnering with marketing, he says. This is especially relevant in our current online world, where today's bad customer experience can become tomorrow's viral sensation.

7. **Measure your efforts.** Help demonstrate the effectiveness of your efforts by implementing employee surveys and analyzing gaps between desired and actual behavior.

8. **Don't rush it.** Changing a culture can take anywhere from months to several years. Start by making sure there's a clear rationale for why the company should change, he advises.

9. **Invest now.** Don't wait for staff and resources that may never come. "It takes years of investment to get to that point where [your culture] just automatically becomes part of how you behave and act," so begin whatever way you can.

10. **Be bold and lead.** You don't have to be in a position of influence to have influence. "When we step up, it encourages others to step up as well," he says.

**ORGANISATIONAL CHANGE – MEANING**

In general sense, change is to make or become different, or give or begin to have different from. For instance, postwar recovery of Japan to its present state of supremacy is a significant change, though influenced to a great extent by American openness, generosity and leadership in the process of change.

Mr. John Bull defines organisational change as “When an organisational system is disturbed by some internal or external force, change frequently occurs. Change as a process, is simply modification of the structure or process of a system. It may be good or bad, the concept is disruptive only”.

Organisational change refers to the process of growth, decline and transformation within the organisation. Though one thinks that organisations are enduring structures in a changing society. However, the truth is that organisations are changing all the time. Organisational change takes different forms.

## COMPONENTS OF ORGANISATIONAL CHANGE

1. You may think that **Leadership Alignment** shouldn’t require too much work. Usually, the project sponsor provides the original brief and explains the benefits case, so they should be already sold. That said, keeping them engaged and supportive throughout the project can require extra effort due to pressures and changing priorities in a dynamic environment. Don’t assume that other senior leaders with an interest in the project are aligned with the sponsor’s thought process or are bought into the project objectives. If they aren’t, then it is important to get their support because they will influence other stakeholder roups associated with the project.

2. Completing a stakeholder analysis exercise at project initiation is imperative. It allows you to identify and understand project stakeholders, group them and devise engagement plans for each. **Stakeholder Engagement** is an enabler for change and should be maintained throughout the course of a project – and afterwards to support embedding of a change. Stakeholder groupings and engagement plans are fluid and should be updated and adapted at various intervals through the project.

3. It’s an obvious one but **Communication** is key. Identify available communications channels and initiate the processes required to use them. You want to actively build awareness of the project. If there is no communication, people will conjure up their own truths. So, if there’s something to say, say it, and if there’s nothing to say (i.e. no new information), say so, because you want to maintain momentum. Be as transparent as you are able to be and be careful not to over-promise, in order to foster healthy relationships with stakeholders and encourage respect. Communication is not just a one-way means of transferring information – It is important that your audience has a way of responding via feedback loops so that they know they are important and can be collaborative with the project about ideas. The feedback received will help shape your communications approach going forward.

4. **Change Impact and Readiness** is about how much of an impact the change has on stakeholders and how ready they are to make the change. Readiness activity, which may include a Readiness Checklist and a Readiness Status Tracker, looks at the ability of a group to make the change and minimises risk to delivery. You need to ensure that groups required to make a change are equipped to answer your readiness questions accurately, because if they think they’re ready but in fact they’re not, then you’ll run into issues further into the delivery. Where planned readiness levels are not achieved, mitigation plans should be put into action in order to limit impact to the project.

5. Where you have identified knowledge gaps, **Training** is required to enable adoption and embedding. This could be behavioural as well as technical. The nature of the change, as well as the size of the impacted population, will determine the most appropriate methods of training; one to one, group sessions, 'train the trainer', training guides, remote or controlled setting learning.

6. It may be necessary to design new, or changes to, organisational structures within impacted businesses or teams in support of the change. 'As is' and 'to be' analyses should be completed, associated processes designed and supporting role descriptions produced. **Organisation Design** might not be owned by the project, but it is a dependency, therefore activity needs to occur in tandem with the main project activities and changes implemented either before or at the same time as the project's delivery.

**LEVELS OF CHANGE**

1. **Strategic Change:** Strategic change is the **change in the very basic objectives or missions** of the organisation. A single objective may have to be changed to multiple objectives. For example, a lot of Indian companies are being modified to accommodate various aspect of global culture brought in by the multinational or transnational corporations.
2. **Structural Change:** Organisational structure is the pattern of relationships among various positions and among various position holders. Structural change involves changing the internal structure of the organisation. This change may be in the whole set of relationships, work assignment and authority structure. Change in organisation structure is required because old relationships and interactions no longer remain valid and useful in the changed circumstances.
3. **Process Oriented Change:** These changes relate to the recent technological developments, information processing and automation. This will involve replacing or retraining personnel, heavy capital equipment investment and operational changes. All this will affect the organisational culture and as a result the behavior pattern of the individuals.
4. **People Oriented Change:** People oriented changes are directed towards performance improvement, group cohesion, dedication and loyalty to the organisation as well as developing a sense of self actualization among members. This can be made possible by closer interaction with employees and by special behavioral training and modification sessions. To conclude, we can say that changes at any level affect the other levels. The strength of the effect will depend on the level or source of change.

**IMPORTANCE OF CHANGE**

Change is the need of the hour for every individual, every organization. Engaging in the same old methodology which is turning to be obsolete can lead to failure. This need to change is of highest priority. The failure in recognizing the very urgent requirement to change heads to many serious, critical problems. Change refers to bringing a shift in the way the activities are performed, work is done, problems are solved. Basically, a new approach to deal with everything which would give a positive and successful outcome. This process of change is not easy and is time- consuming but at the end of it, we realize that it was worth it.

How would change benefit organizations and employees? Here we bring few pointers indicating the benefits of a change culture in your organization:

**Build up Competition:**

Change can be big or small, easy or complex in an organization. Change does not necessarily indicate a major transformation every time. But it can seriously help to build competition, which can help organizations progress and develop themselves. Without change, organizations would struggle to lift up themselves to face the competition put forward by their competitors. Example- When a particular organization changes its way of working and if it attracts more customers, the neighboring competitor will definitely observe the same and would try to bring a change in his usual form of working. Thus, here change plays a very positive role in building up competition which leads to a desire among organizations to develop themselves more than their competitors.

**Bring Technological Advancement:**

Technology plays a vital role in development of an organization. Change that results from the adoption of new technology is common in most organizations and while it can be disruptive at first, ultimately the change tends to increase productivity and service. To beat the competition, organizations can make use of new technologies. The same, old, obsolete ways of doing things would not work out when the competitors would be moving fast forward with new technologies. It also enables employees to adopt the new technology and indirectly helps in growth of organization. For Example Toyota – the company to emulate in the automobile industry, it has emerged to become one of the most successful organizations in terms of establishing change management.

**Develop Satisfied Customers:**

Adopting change in organizations can create a certain extent of dissatisfaction among employees and also among customers. But, once change brings in a favorable effect, customers and employees start accepting it. Eventually this change brings satisfied customers which inturn acts positively for customers. As always said, satisfied customer is a boon for every organization. Just a mere tweak in the strategy can do wonders for you. The most famous example being Google – The Google experience is a classic example of a company committed to wowing its customers based on consistent quality and constant innovation over the years.

Eventually, change plays a very positive role in building up competition which leads to a desire among organizations to develop themselves more than their competitors. Also change is an evitable, unavoidable part of any organization. Every organization strives to change and it eventually leads to business excellence.

**WHAT IS CHANGE MANAGEMENT?**

Organizational change refers broadly to the actions a business takes to change or adjust a significant component of its organization. This may include company culture, internal processes, underlying technology or infrastructure, corporate hierarchy, or another critical aspect.

Organizational change can be either adaptive or transformational:

- Adaptive changes are small, gradual, iterative changes that an organization undertakes to evolve its products, processes, workflows, and strategies over time. Hiring a new team member to address increased demand or implementing a new work-from-home policy to attract more qualified job applicants are both examples of adaptive changes.
- Transformational changes are larger in scale and scope and often signify a dramatic and, occasionally sudden, departure from the status quo. Launching a new product or business division, or deciding to expand internationally, are examples of transformational change.

Change management is the process of guiding organizational change to fruition, from the earliest stages of conception and preparation, through implementation and, finally, to resolution.

Change processes have a set of starting conditions (point A) and a functional endpoint (point B). The process in between is dynamic and unfolds in stages. Here's a summary of the key steps in the change management process.

**5 STEPS IN THE CHANGE MANAGEMENT PROCESS**

1. Prepare the Organization for Change

For an organization to successfully pursue and implement change, it must be prepared both logistically and culturally. Before delving into logistics, cultural preparation must first take place.

In the preparation phase, the manager is focused on helping employees recognize and understand the need for change. They raise awareness of the various challenges or problems facing the organization that are acting as forces of change and generating dissatisfaction with the status quo. Gaining this initial buy-in from employees who will help implement the change can remove friction and resistance later on.

2. Craft a Vision and Plan for Change

Once the organization is ready to embrace change, managers must develop a thorough and realistic plan for bringing it about. The plan should detail:

- Strategic goals: What goals does this change help the organization work toward?
- Key performance indicators: How will success be measured? What metrics need to be moved? What's the baseline for how things currently stand?
- Project stakeholders and team: Who will oversee the task of implementing change? Who needs to sign off at each critical stage? Who will be responsible for implementation?
- Project scope: What discrete steps and actions will the project include? What falls outside of the project scope?

The plan should also account for any unknowns or roadblocks that could arise during the implementation process and would require agility and flexibility to overcome.

3. Implement the Changes

After the plan has been created, all that remains is to follow the steps outlined within it to implement the required change. Whether that involves changes to the company's structure, strategy, systems, processes, employee behaviors, or other aspects will depend on the specifics of the initiative.

During the implementation process, change managers must be focused on empowering their employees to take the necessary steps to achieve the goals of the initiative. They should also do their best to anticipate roadblocks and prevent, remove, or mitigate them once identified. Repeated communication of the organization's vision is critical throughout the implementation process to remind team members why change is being pursued.

4. Embed Changes within Company Culture and Practices

Once the change initiative has been completed, change managers must prevent a reversion to the prior state or status quo. This is particularly important for organizational change related to processes, workflows, culture, and strategies. Without an adequate plan, employees may backslide into the "old way" of doing things, particularly during the transitory period.

By embedding changes within the company's culture and practices, it becomes more difficult for backsliding to occur. New organizational structures, controls, and reward systems should all be considered as tools to help change stick.

5. Review Progress and Analyze Results

Just because a change initiative is complete doesn't mean it was successful. Conducting analysis and review, or a "project post mortem," can help business leaders understand whether a change initiative was a success, failure, or mixed result. It can also offer valuable insights and lessons that can be leveraged in future change efforts.

## The 5 Types of Organizational Change

With organizational change strategies, companies can avoid stagnation while minimizing disruption. Preparation is integral for success, especially during a change effort. However, one can't prepare without knowing what type of change is occurring. The first step is to understand what change management models exist and then figuring out what best suits your company or team.

**Here is a list of 5 types of organizational change companies undergo.**

### 1. Organization Wide Change

Organization wide change is a large-scale transformation that affects the whole company. This could include restructuring leadership, adding a new policy, or introducing a new enterprise technology.

Such large-scale change will be felt by every single employee. However, as the dust settles, you can begin to see improvements. Organizational change can be a sharp indicator in understanding how long-held policies have become outdated or reflect a company's transforming identity.

Achieving a successful organization-wide change demands comprehensive planning and communication throughout the organization. Whether the results are positive or negative are dependent on your organizational change strategies and their execution. For software specifically, a digital adoption solution is an essential tool for implementing company-wide changes.

Harvard Business Review Analytics Services published their evaluation of The State of Digital Adoption 2021, further showing the effects of proper implementation and adoption on the success of complete organizational digital transformation.

**2. Transformational Change**

Transformational change specifically targets a company's organizational strategy. Companies that are best suited to withstand rapid change in their industry are nimble, adaptable, and prepared to transform their game plans when the need arises.

Strategies to guide transformational change must account for the current situation and the direction a company plans on taking. Cultural trends, social climate, and technological progress are some of the many factors leaders must consider.

According to a study from MIT Sloan Management Review and Deloitte, maturing digital businesses are focused on integrating digital technologies, such as social, mobile, analytics and cloud, into their transformation strategies. Meanwhile, less-mature digital businesses are focused on solving discrete business problems with individual technologies.

However, given the rapid pace at which digital technology evolves, companies will be better positioned to succeed if they incorporate digital adoption platforms into their transformation strategies.

**3. Personnel Change**

Personnel change happens when a company experiences hyper-growth or layoffs. Each of these types of organizational change can cause a significant shift in employee engagement and retention.

The threat of layoffs evokes fear and anxiety among staff members, and leaders should expect that employee morale will suffer. Nevertheless, the company must move forward. It is important to display genuine compassion and motivate employees to continue to work hard through difficult times.

While mass hiring has better implications for a company, it is not without its challenges. Hiring en masse is a sign of growth, which makes companies susceptible to cultural changes and disorganization.

Employing new staff means training them and providing ongoing support. Welcoming an influx of employees is great, but the work is cut out for those in management. If the transition is not handled correctly, it can cause chaos, inefficiency, and ultimately deter further growth.

**4. Unplanned Change**

Unplanned change is typically defined as necessary action following unexpected events. While unplanned change cannot be predicted — it can be dealt with in an organized manner.

For example, the hurricanes that battered the U.S. early in the fall of 2017 caused thousands of residents to evacuate and seek temporary shelter far away from home. Following this emergency, those affected began the long process of restoring normalcy to their lives.

Companies also experience unplanned changes. When a CEO suddenly leaves the company or a security breach occurs, chaos and disruption ensue. By setting basic organizational change strategies in place for these situations, organizations can minimize these unplanned risks and emerge as more adaptable and resilient.

**5. Remedial Change**

Leaders implement remedial changes when they identify a need to address deficiencies or poor company performance.

For example, financial distress is usually due to lackluster performance and requires remedial change. Other common examples include introducing an employee training program, rolling out new software, or creating a position to fix a pain point.

Other types of corrective action could include reviewing strategies that may have been in place for years but are no longer profitable. Issues stemming from leadership, such as a newly appointed CEO who turns out to be a poor fit for the company, might also call for remedial change. Although remedial change efforts must be tailored to the specific problem on hand, they still require effective organizational change strategies to be effective.

**INTERNAL FACTORS AFFECTING ORGANIZATION**

Internal factors are those which are originated from an organization itself. These are predictable factors because these lies within organization. Leadership and management has clear understanding and quickly analyze that what are internal factors and how can organization respond to these and embark on journey of making change.

Following are some of the key internal factors which affect organizational change.

VISION

Some organizations are vision focused. Such organizations continuously make changes to achieve its vision. These organizations also have tendency to revisit and redefine vision. And this is key force behind accepting and executing changes.

VALUES

Organizations core values are also driver of change. For instance, values like gender balance, cultural and ethic diversity etc are some powerful principles that often lead to big changes in organizational strategies and processes.

ORGANIZATIONAL CULTURE

Organizational culture has a powerful impact on the future of the organization. If work place culture is vibrant, dynamic and leadership encourages creativity, then it is likely that organization accepts and implements change.

CORE EXPERTISE

Core expertise of an organization also dictate change. If organization is strong in one technical area, it will create innovate solutions and disrupt the existing methods and culture of the entire industry.

**LEADERSHIP**

Sometimes change in leadership is the reason behind organizational change. Every new leadership brings new vision, new strategies and new working culture to his/her organization. So new leadership is a strong internal factor which affects change.

PERFORMANCE

This is perhaps the most important factor which drives change. Good Leaders makes strategic shift in their approach to business when performance of an organization is not satisfactory. Then, drastic changes are made in role and responsibilities of different players within organization to perform better in industry.

EMPLOYEES

Confidence of an organization to make change depends on attitude and skills of its employees. If employees approve and accept change and their skills are also in line with intended change then there is more chances that organization will be successful in managing change.

**EXTERNAL FACTORS AFFECTING ORGANIZATION**

Organizations function in a large environment. This environment around organizations includes customers, government, policy and laws, social norms, economy, technology, competitors etc. All of these exist mainly outside of an organization which has no control over these. Besides control, Leadership and managers even has less understanding and knowledge about external changes. So these external factors also drive organizational change. The external factors of organizational change are difficult to manage because these are unpredictable than the internal factors.

Following are some of the key external factors affect organizational change.

NEW OPPORTUNITIES

Economic growth brings new business opportunities. And organizations expand when they seize new opportunities in the market. For this to happen organization make changes in their strategies, acquire new expertise and take new staff on board.

FASHION

Latest trends dictate changes. For instance, people are becoming more sensitive about health and hygiene. So organizations are offering healthy products and communicating to their customers that how much they take care of health and hygiene of the customers.

COMPETITION

Competition is getting tougher every day. Organizations innovate new marketing tool and strategies and disrupt the entire trend of market. It is such a compelling factor that every player of the industry has to respond and develop it own strategy to survive and thrive in market.

NEW TECHNOLOGY

Technology is also a powerful factor which shapes changes. In this digital world, organizations need to upgrade technologies in order to remain competitive in the market. For instance, it is absolutely necessary nowadays for every organization to have its presence on online marketing platforms which was not the case ten years ago.

GOVERNMENT REGULATION

Government laws and regulation such as trade policies, taxation, industry specific regulation, labour laws greatly affect the way of doing business. Organizations need to stay vigilant in connection to government policies and adapt to changes.

POLITICS AND ECONOMY

Internal and external politics and economy also affect business. One single event can damage country’s economy. Organizations need to closely follow and analyze political events and economy and make changes as situations demand.

SOCIAL CHANGE

The social changes refer to change in norms, change in level of education, urbanization, migration etc. These social changes are also powerful external factors which affect the environment which push organizational change to make change.

## ORGANIZATIONAL RESISTANCE

Organizational inertia is the tendency for an organization as a whole to resist change and want to maintain the status quo. Companies that suffer from inertia become inflexible and can’t adapt to environmental or internal demands for change. Some of the signs that organizational inertia is in play are through internal power struggles, poor decision-making processes and bureaucratic organizational structures.

Organizational cultures and reward systems can foster resistance or acceptance of change. A culture that promotes high levels of trust and cooperation lays the foundation for employees and their acceptance and instigation of change. If employees are punished for honest mistakes, if new ideas aren’t rewarded, and managers aren’t prepared for daily issues with proper training, then that organization is ripe for change resistance.

Timing of change can also play a role in organizational inertia. If the organization is still recovering from a large-scale change in organizational structure, that would not be the time to introduce a new information management system. Employees will be likely to resist the change and turmoil that goes along with a second change. Thinking about the order and timing of a planned change can help managers avoid employee resistance.

### Group Resistance

We talked about groups in an earlier module, and we learned that when groups start to work well together, it’s because they’ve established norms and cohesion. Central norms in a group can be difficult to change, because they involve the group’s identity. Any change to them is likely to be resisted, as group members will work to protect each other and preserve the group. If a group is used to practicing centralized decision making and suddenly they’ve been told to use a decentralized style of decision making, they’re likely to resist, because it goes against their norm.

Group cohesion can affect the acceptance of change. If a cohesive group has been disbanded in favor of a different kind of team structure, the group’s desire to stick together may make them resistant to change. But just as group cohesion can work against change, it can also work for change. A cohesive group looking to implement change can typically overcome any one individual member’s resistance to it.

### Individual Resistance

People resist change because they fear the consequences. Change means learning new habits and facing new situations. Learning new skills comes with the uncertainty of being able to master those skills. It’s easy to see why change can seem threatening. Furthermore, if individuals sense that there will be economic insecurity or risk regarding the change, or if they don't trust management, this could further add to the resistance.

Sometimes, individual traits can make one change resistant. Culture, personality and prior experiences can contribute to one's level of acceptance where change is concerned.

**What Is Organizational Development?**

Organizational development can be defined as an objective-based methodology used to initiate a change of systems in an entity. Organizational development is achieved through a shift in communication processes or their supporting structure. Studying the behavior of employees enables professionals to examine and observe the work environment and anticipate change, which is then effected to accomplish sound organizational development.

CHARACTERSITICS OF OD

**1. Planned Change:**
Organisational development (OD) is an educational strategy for bringing about planned change. Planned change concept makes it different from other approaches for change in organisations.

**2. Encompasses the Whole Organisation:**
This change covers the entire organisation. Organisational Development is the development of the whole organisation so that it can respond to change effectively. OD tends to ensure that all parts of the organisation are well coordinated in order to solve the problems and opportunities that are brought by change.

**3. Long Range Change:**
OD is a long term process. It may take months or years to implement it. OD is never intended to be a stopgap arrangement or measure.

**4. Systems Orientation:**
OD is concerned with the various groups in the organisation and their interactions with each other. It is concerned with formal as well as informal or social relationships. It is concerned with group structures, processes and attitudes. OD emphasizes on the relationships among the groups not on the groups themselves.

**5. Change Agent:**
The services of outside experts are obtained, generally, to implement the OD process. In OD, "Do it yourself" programmes are discouraged. When the primary change agent is a consultant from outside the organisation, he can operate independently without ties to the organisational hierarchy and politics of the organisation. The personnel director is the internal agent of the organisation who coordinates the programme with the management and the external agent.

As the external agent also works with the management, there is a three way relationship of the personnel director, management and the outside consultant as they develop the OD programme.

Very rarely, an internal change agent is used by the organisation, who usually is a specialist on the personnel staff.

**6. Problem Solving:**
OD emphasizes on problem solving rather than just theoretical discussion of the problems. The focus on real, ongoing problems rather than the theoretical or artificial ones is called actions research. Action research is a very important feature of OD. Sometimes, OD is called organisational improvement through action research.

**7. Experiential Learning:**
In the traditional approaches, training was provided to the people by lecture and discussion method, in which people talk about only abstract ideas. But in OD, particularly learn by experiencing in the training environment the kind of human problems they face on the job. This approach tends to produce more changed behaviour than the traditional approach. Theory is also necessary and desirable, but the ultimate test is how it applies in real practice. These answers are provided by OD.

Some of the key pre-requisites to organizational development are explained as follows.

1. Top level management's commitment: There should be the explicit commitment of the top management to change and improve the organization, denote its time and resources to this long term effort. The management should take the risk and experiment, with new methods of handling the problems, be keen to assess its own behaviours and attitudes for personal development purpose, and be able to tolerate confusing results which may occur at the initial stages of OD programme.
2. Strong and influential change facilitator: The existence of strong and competent internal change facilitators and resourceful individuals, who can perform the role of internal change agents, provides momentum to the OD work.
3. Successful past experience: Successful experience with the earlier efforts in some parts of the organization provides momentum to further efforts and thus, forms a significant prerequisite, to the effective performance of an organization development programme.
4. Capable external consultants: The involvement of capable and experienced external consultants, especially during the earlier stages of OD work, provides the objectivity and variety of skills, which may make the programme highly effective. However, it is necessary that the consultant develop the internal change facilitators and the problem solving ability of the organization instead of making the organization dependent upon himself.
5. Influential managers: The presence of some influential mangers, who act as like link pins between crucial groups and we are willing to introduce change and experiment with new methods of work, forms another prerequisite to a successful OD programme.
6. Internalization of OD efforts: The internationalization of concern for renewal, re-education, constant assessment of the organizational health and corporate excellence forms a very crucial prerequisite to effective OD effort.
7. Built-in reward system: There is the prerequisite in the form of built-in reward system. Attempts should be made to build the reward systems for the effective performance of results.

**Top 9 Techniques of Organisation Development**

**1. Survey Feedback:**
Information is collected through survey method. This is the most popular and widely used method of data collection. The managers use this information collected through survey for making decisions. The wide range of data is collected regarding working conditions, quality of work, working hours, wages and salaries, attitude of employees relating to above.

These data are then analyzed by the team of managers. They find out the problem, evaluate the results and find out solutions. Information is collected from all the members of the organisation. Managers conduct meetings with their subordinates and discuss the information, allow subordinates to interpret the data. After this plans are prepared for making necessary changes. This procedure is followed at all levels of management involving all the employees of the organisation.

**2. Team Building:**
Team Building is another method of organisation development. This method is specifically designed to make improvement in the ability of employees and motivating them to work together. It is the organisation development technique which emphasizes on team building or forming work groups in order to improve organisational effectiveness.

These teams consist of employees of the same rank and a supervisor. This technique is an application of sensitivity training to the teams of different departments. The teams or work groups are pretty small consisting of 10 to 15 persons. They undergo group discussion under the supervision of an expert trainer usually a supervisor. The trainer only guides but does not participate in the group discussion.

**3. Sensitivity Training:**
It is quite popular OD intervention. It is also known as laboratory training. Under this technique the employees in groups are asked to interact. The aim of sensitivity training is to help people understand each other and gain insight so that they feel free and become fearless.

Abraham Korman has rightly observed that, “the assumptions of sensitivity training procedure are that, if these goals are achieved, one will become defensive about himself, less fearful of the intentions of others, more responsive to others and their needs, and less likely to misinterpret others’ behaviours in a negative fashion.

**4. Managerial Grid:**
This technique is developed by industrial psychologists duo Robert Blake and Jane Mouton. The concept of managerial grid identifies two major dimensions of management behaviour. They are people oriented and production oriented behaviours. Attempts are made to pay increased attention to both the variables.

IMPLICATIONS OF OD

1. The scale of complexity in the environment. It is not just the number of dominant external factors affecting the organisation, but the unpredictability of how different factors can have a combustible, unforeseen interaction with each other.

2. Resource scarcity. Most of the top economic players – India, Japan, the US, the UK, and Germany – are running on deficits, and the debt as a percentage of GDP is significant. Such scarcity exerts enormous pressure on organisations' choice of strategies: keeping service provision going vs. investing in continuous innovation, which services to keep and which to close down, or focusing on the most vulnerable users of services vs. investing in internal organisation development.

3. Technology breakthroughs. The increasing scale and scope of the growth of the internet, wireless communication platforms, and other technological innovations have fundamentally shifted the social fabric at every level – the way people, teams, organisations, and society connect and share knowledge.

4. Consumer/customer rights and the requirement for transparency. With a greater awareness of their rights through better access to information, consumers have become more demanding for higher service levels. Increasing product quality, faster delivery time, greater individualisation of 'hi-touch' services and greater accountability make the Blue Ocean Strategy a rare luxury for organisations.

5. Population movement and rapid urbanisation. Population movement has now become endemic. In less than 5% of countries statehood equals peoplehood, which means very few political states have the same ethnic and racial group. Ongoing political turmoil around the globe has escalated both forced and voluntary migration into more politically stable countries. This phenomenon has major social, economic, and political implications for both the exiting and receiving countries. The World Economic Forum predicts that by 2050 there will be a near doubling of the urban population worldwide to 6.2 billion, i.e. 70% of the projected world population of 8.9 billion.

6. Demographic shift. Countries with the least developed economies face challenges with growing birth rates and restless young populations. Conversely, the countries with the most developed economies have a relatively lower birth rate, which results in major gaps in human resources at every level. The longer lifespan in developed countries' populations has placed a major burden on the financial and health/social care systems in the West.

There are other trends, however the issue is not about the number but the complex interactions these have with each other as they lead to unpredictable consequences.