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MBA FA II SEM PAPER- ORGANIZATIONAL BEHEVIOUR (205)

TOPIC: ORGANISATIONAL CHANGE –

NATURE / CHARACTERISTICS

ORGANISATIONAL CHANGE - NATURE / CHARACTERISTICS

- Change is a part of life and provides opportunity for growth. It is a conscious decision by the management of organisation. In any organisation, we have people engaged in production, research, development, administration, etc. The organisation in order to change should prepare a stock of the situation and should effect change in their attitude and style of functioning.
- It is often said that nothing is certain but death and taxes. But a third term has to be added change. In management, change is expected as part of organisational life. Change refers to an alteration in the present business environment.

Some examples of organisational change are:

- (1) A new method of doing the work,
- (2) A new product or process,
- (3) A new organisation structure and
- (4) Changes in personnel policy or employee benefits.
- Every individual and organisation has to experience change.

At times the change is planned for.

- Sometimes changes are imposed events beyond the individual's or organization's control initiate the change. In the first situation there exists a great possibility to predict what may happen and thereby to control events. In the second situation, reaction to unforeseen events can be the response. Since change is certain to occur, it has to be managed. So it is necessary at the outset to examine potential sources of change.
- Organisation change is defined as "any alteration in one or more elements of the organisation". Changes can be made in any of the following: work schedules, basis for departmentation, span of management, overall organisation design, or people themselves.

Change has the following characteristics:

- Change results from the pressure of both internal and external forces in the organisation. It disturbs the existing equilibrium or status quo in the organisation.
- The change in any part of the organisation affects the whole of the organisation.
- Change will affect the various parts of the organisation in varying rates of speed and degrees of significance. Changes may affect people, structure, technology and other elements of the organisation.

- Change may be reactive or proactive. When change is brought about due to the pressure of external forces, it is called reactive change. Proactive change is initiated by the management on its own to increase organisational effectiveness.
- An organisation is an open system which implies that it is in a constant interaction and interdependent relationship with its environment. Any change can occur in its environment, such as change in consumer tastes and preferences, competition, economic policies of the government, etc.

Nature of change

History and Politics:

- This will have a significant bearing on its acceptance of change. Questions raised while planning for change are:
- Where do the origin of the company lie?
- What Image does the company like to promote?
- Have they had good or bad previous experience of change?
- What will be the effect of the change on the 'balance of power'?
- Parties impacted by the change?

Nature of change

Management and Organization:

Change will impact the roles of management and the structure and operation of the organization.

- Senior management ensures encouraging opportunities for progress through innovation and recognition
- Role of line management shifts from 'autocrat' to 'facilitator'.
- Boundaries between jobs, division and department become blurred.
- Requirement for specialists decreases and the demand for multi-skilling increases.
- Encourage for project and group work
- Improving processes reduces the total availability of jobs.

Nature of change

People

- For smallest change, do not underestimate the reaction of those impact.
- With every change, comes an expectation of a reward for acceptance.
- Think through carefully the impact of the change on every job it affects.

An organisation consists of interrelated and interacting system, to perform complicated tasks such as:

- 1. Authority and power system.
- 2. Reorganisation of the tool and techniques used in the system evolving proving of better equipment.
- 3. Change in the attitudes and behaviours and interpersonal relationship of people working in the organisation through systematic manpower planning.
- 4. Delayering to flatten structures.
- 5. Change to multiple reporting relationships.
- 6. Jobs designed to grow.
- 7. Increase in job flexibility.
- 8. Increase in organisational flexibility.

THANK YOU!