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SUBJECT NAME: ORGANIZATIONAL BEHAVIOUR

UNIT-V

ORGANISATIONAL CHANGE AND DEVELOPMENT

**TOPIC NAME: ORGANISATIONAL CHANGE – DEFINITION
& MEANING**

ORGANISATIONAL CHANGE – DEFINITION AND MEANING:

Organisational change refers to any alteration that occurs in total work environment. Organisational change is an important characteristic of most organisations. An organisation must develop adaptability to change otherwise it will either be left behind or be swept away by the forces of change. Organisational change is inevitable in a progressive culture.

Modern organizations are highly dynamic, versatile and adaptive to the multiplicity of *changes*.

*“The term **change** refers to any alternation which occurs in the overall work environment of an organisation.”*

Organizations survive, grow or decay depending upon the changing behaviour of the employees. Most changes disturb the equilibrium of situation and environment in which the individuals or groups exist. If a change is detrimental to the interests of individuals or groups, they will resist the change.

According to Cambridge Dictionary, organizational change is:

“A process in which a large company or organization changes its working methods or aims, for example in order to develop and deal with new situations or markets.”

Many people would disagree with *Cambridge Dictionary’s* description. They say the definition should not limit organizational change just to something that happens in large companies.

According to BusinessDictionary.com, *“Company or organization going through a transformation. Organization change occurs when business strategies or major sections of an organization are altered. Also known as reorganization, restructuring and turnaround.”*

*“Everybody has accepted by now that change is unavoidable. But that still implies that change is like death and taxes—it should be postponed as long as possible and no change would be vastly preferable. But in a period of upheaval, such as the one we are living in, change is the norm.”—Peter Ducker, **Management Challenges for the 21st Century.***

According to Barney and Griffin, *“The primary reason cited for organisational problems is the failure by managers to properly anticipate or respond to forces for change.”*

Thus, in a dynamic society surrounding today’s organisations, the question whether change will occur is no longer relevant. Instead, the issue is how managers cope with the inevitable barrage of changes that confront them daily in attempting to keep their organisations viable and current. Otherwise the organisations will find it difficult or impossible to survive.

Change is the alteration of status quo or making things different than before.

Change is the disturbance of equilibrium presently prevailing. It is any alternation that occurs in the overall work environment of an organisation.

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.

Organisations may change their strategy or purpose, introduce new products or services, change the way they produce and sell, change their technology, enter new markets, close down departments or plants, hire new employees, acquire other organisations become acquired by other organisations and what not ! In doing so, they may turn larger, smaller or stay the same in terms of size.

Sometimes, organisations change quite radically yet retaining their name; the new organisation may be nothing like the old one except in the name. All this makes organisational change a complex and confusing phenomenon or a process. It is much more complex than normal human behaviour.

The rapidity of change taking place in the social, political and economic environment is creating marked impact on organisations as well as individuals. Though the change has been coeval with human existence, the pace of it has varied in recent times—most of the developments we witness now have been taking place in the last 100 years and is likely to accelerate in the present century.

Organisational change refers to the alteration of structural relationships and roles of people in the organization. It is largely structural in nature. An enterprise can be changed in several ways. Its technology can be changed, its structure, its people and other elements can be changed. Organisational change calls for a change in the individual behaviour of the employees.

Change is something that should be embraced rather than feared. Only with change will businesses be able to lay the foundations for long-term success.

What is different now is that pace of change. The present day changes have been more rapid, more complex, more turbulent and more unpredictable than ever before and have effected the very traditions of human existence. In his insightful book future shock Mr. Alvin Toffler argued that humanity is now a part of an environment so unfamiliar and complex that it is threatening teeming millions with 'future shock'.

Future shock occurs when the type of changes and the speed of their introduction over power the individual's ability to adapt to them with the result that one can no longer absorb change without displaying dysfunctional behaviour. The problem arises not from a particular change one cannot handle but from the fact that society itself is in a state of flux.

Since so much is changing, new ways of dealing with this 'temporary society' are needed. This society in which we live is characterised by the temporary nature of housing, jobs, friendship and neighbourhoods. Change is so frequent that there is no long-term stability and even values may come to reflect this.

Unlike other concepts in organisational behavior, not many definitions are available to define the term “change”. In very simple words we can say that change means the alternation of status quo or making things different.

To quote another definition *“when an organisational system is disturbed by some internal or external force, change occurs frequently. Change, as a process, is simply modification of the structure or process of a system. It may be good or bad, the concept is descriptive only.”*

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.

Today, Americans are learning from the Japanese as to how to retain competitiveness in the global markets a classic example of what change is all about. **Even Dr. P.E. Drucker** wondered as to whether he is writing for American economy or Japanese. Change also means dissatisfaction with the old and the belief in the new.

Dissatisfaction can arise out of a perceived deficiency in an existing system which may be inherent deficiency gone unnoticed or one perceived in comparative evaluation with better system.

Deficiency is also the inability of a system to respond to environmental pressures and technological impacts. Change underlines qualitatively different way of perceiving thinking and behaving to improve over the past and the present.
