

SOS POLITICAL SCIENCE AND PUBLIC ADMINISTRATION

MBA HRD 404

SUBJECT NAME: MANAGING CHANGE IN
ORGANIZATION

UNIT V

TOPIC NAME: CULTURE AND CHANGE

CULTURE



Organizational Culture

- A system of shared values, assumptions, beliefs, and norms that unite the members of an organization.
- Reflects employees' views about "*the way things are done around here.*"
- The culture specific to each firm affects how employees feel and act and the type of employee hired and retained by the company.



Organizational Culture

➤ Definition:

Edgar Schein “Organizational culture refers to a pattern of basic assumptions discovered or developed by a group as it learns to cope with its problems of external adoption and internal integration that has worked well enough to be considered valuable, and therefore, to be taught to new members as the correct way to perceive, think and feel, in relation to those problems.”

- Every organization develops and maintains a unique culture, which provides guidelines and boundaries for the behavior of the members of the organization.
- It is a product of inputs and outputs . The inputs are the beliefs, norms, assumptions, values and the outputs are the courses of actions i.e. the goals, work task, planning, decision making and the procedures.
- A good organization culture is both a talent attractor as well as a talent retainer.

Determinants of Organizational Culture

Internal Factors

- Employees.
- Management.
- Leadership Styles.
- Goals and Objectives.

External Factors

- Clients and External Parties.
- Competition.
- Location.

Types of Organizational Culture

➤ Dominant culture and Sub culture:-

- Dominant culture is a set of core values that are shared by a majority of the organizational members.
- It is a macro view of the organization's personality.

- Sub-culture refers to the set of values that are shared by the members of a division or department.
- These are the result of problems or experiences that are shared by the members of a particular department or unit.

➤ Strong Culture and Weak Culture:-

- A strong culture is characterized by the organization's core values being intensely held and widely shared.
- The degree of sharedness depends on two factors: orientation and rewards.

- When core values are not shared with high degree of intensity, it forms weak culture.
- It can be characterized by high employee turnovers and work absenteeism.

Organizational Change



Organizational Change

- **Concept:** It is the process by which organizations move from their present state to some desired future state to increase their effectiveness.



Conditions prompting change

- Economic crises
- Changes in laws or regulations
- Social developments
- Global competition
- Demographic trends
- Explosive technological changes



CAUSES OF ORGANIZATIONAL CHANGE

Organizational change can be known by understanding why individuals change. Individuals generally experience two types of changes, these are:-

- ❑ External Reasons
- ❑ Internal Reasons

EXTERNAL REASONS

- ▣ **Government rules and regulations-** The changes of government's rules and regulations in the basic cause of change of organizations
- ▣ **Competition-** Organizations need to come up the challenges posed by competitors to survive in the market
- ▣ **Technological advances-** Rapid changes of updated technologies causes an organization to change
- ▣ **Changes in people requirements-** The changing requirements of the people also causes organizations to change themselves with their requirements.

INTERNAL REASONS

- ▣ **Change in leadership-** Leadership changes the cultures and the values of an organization
- ▣ **Introducing new technologies-** Introduction of new technology is bound to have an impact for other functions inside the organizations
- ▣ **The domino effect-** Domino effect means the change as a result of which a series of related factors get changed
- ▣ **For meeting crisis-** The unforeseen happenings makes an organization unstable which becomes the stimulus for thorough self-assessment to overcome the crisis before it occurs.

THANK YOU