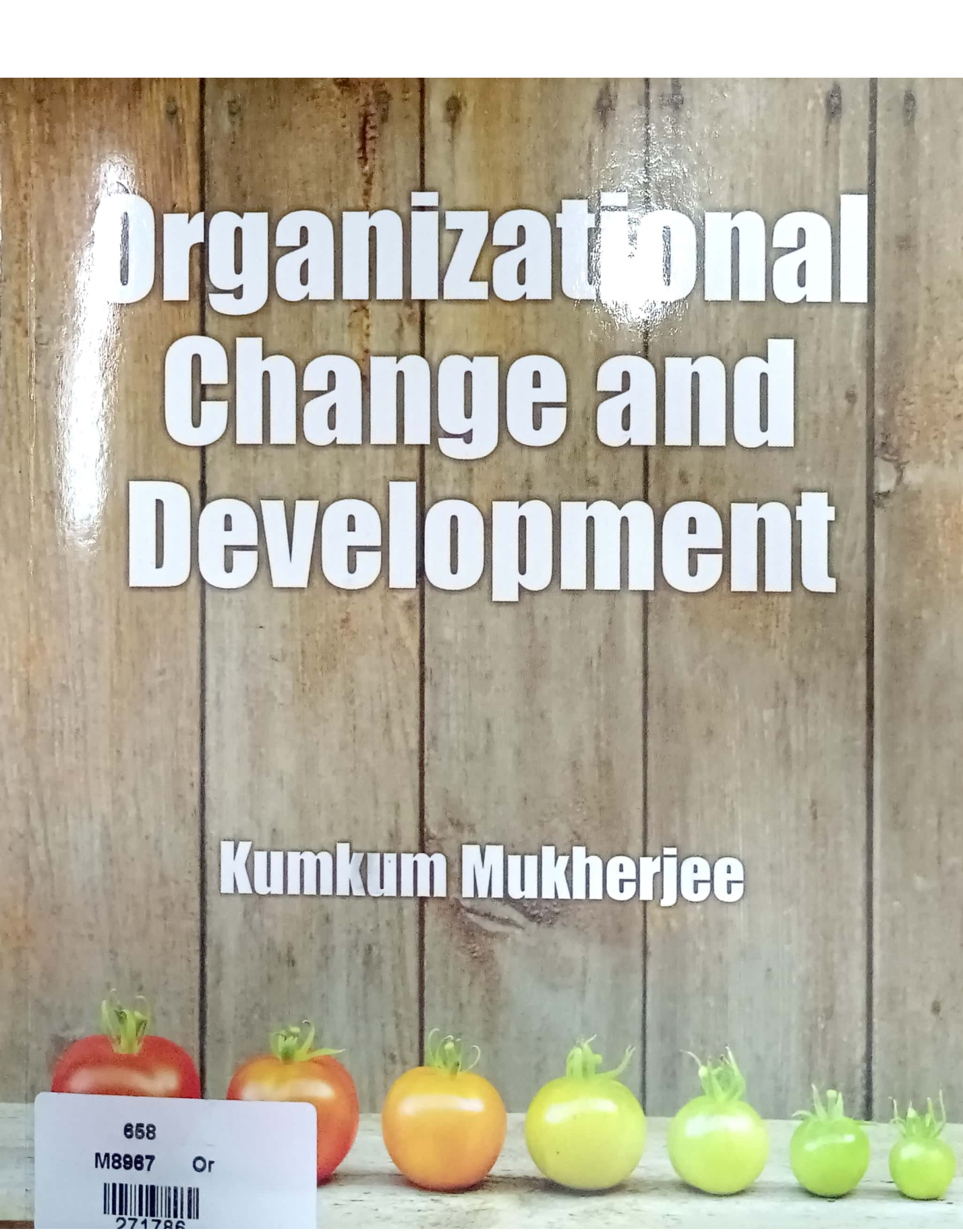
Organizational Change and Development

Kumkum Mukherjee



658
M8967 Or
271786

Scanned with OKEN Scanner

Organizational Change and Development

Kumkum Mukherjee

Professor

Head of the Department of Masters of Human Resource Management

Indian Institute of Social Welfare and Business Management

Pearson

Scanned with OKEN Scanner

668
M8967 Or
271786

Associate Editor–Acquisitions: Varun Goenka
Editor–Production: G. Sharmilee

The aim of this publication is to supply information taken from sources believed to be valid and reliable. This is not an attempt to render any type of professional advice or analysis, nor is it to be treated as such. While much care has been taken to ensure the veracity and currency of the information presented within, neither the publisher nor its authors bear any responsibility for any damage arising from inadvertent omissions, negligence or inaccuracies (typographical or factual) that may have found their way into this book.

Copyright © 2016 Pearson India Education Services Pvt. Ltd.

This book is sold subject to the condition that it shall not, by way of trade or otherwise, be lent, resold, hired out, or otherwise circulated without the publisher's prior written consent in any form of binding or cover other than that in which it is published and without a similar condition including this condition being imposed on the subsequent purchaser and without limiting the rights under copyright reserved above, no part of this publication may be reproduced, stored in or introduced into a retrieval system, or transmitted in any form or by any means (electronic, mechanical, photocopying, recording or otherwise), without the prior written permission of both the copyright owner and the publisher of this book.

Although the author and publisher have made every effort to ensure that the information in this book was correct at the time of editing and printing, the author and publisher do not assume and hereby disclaim any liability to any party for any loss or damage arising out of the use of this book caused by errors or omissions, whether such errors or omissions result from negligence, accident or any other cause. Further, names, pictures, images, characters, businesses, places, events and incidents are either the products of the author's imagination or used in a fictitious manner. Any resemblance to actual persons, living or dead or actual events is purely coincidental and do not intend to hurt sentiments of any individual, community, sect or religion.

In case of binding mistake, misprints or missing pages etc., the publisher's entire liability and your exclusive remedy is replacement of this book within reasonable time of purchase by similar edition/reprint of the book.

ISBN 978-81-317-7342-0

First Impression,2016
First Impression, 2021
Third Impression, 2022

Jawaharlal Nehru University
Accession No. 271786
Source DSR Publishers Distributors
Bill No. & Date 656 - 29-01-24
Price 425-00
Centre/School ABVSMS&E
Accessioned by

Jawaharlal Nehru University Library

This edition is manufactured in India and is authorized for sale only in India, Bangladesh, Bhutan, Pakistan, Nepal, Sri Lanka and the Maldives. Circulation of this edition outside of these territories is UNAUTHORIZED.

Published by Pearson India Education Services Pvt. Ltd, CIN: U72200TN2005PTC057128.

Head Office: 15th Floor, Tower-B, World Trade Tower, Plot No. 1, Block-C, Sector 16, Noida 201 301, Uttar Pradesh, India.
Registered Office: 7th Floor, SDB2, ODC 7, 8 & 9, Survey No.01 ELCOT IT/ ITES SEZ, Sholinganallur, Chennai – 600119, Tamil Nadu, India.
Website: in.pearson.com, Email: companysecretary.india@pearson.com

Compositor: PageTech Publishing Services Pvt. Ltd.
Printed in India at Saurabh Printers Pvt. Ltd.

Scanned with OKEN Scanner

Contents

Preface *xi*
Acknowledgement *xiii*
About the Authors *xv*

Chapter 1 Understanding Organizations **1**
Nature of Organizations 4
Types of Organization 9

Chapter 2 Organizational Effectiveness and Change **17**
Organizational Effectiveness 18
Need for Change 23
External Forces for Change 23
Internal Forces for Change 24
Theories of Planned Change 26
Lewin's Three-step Model of Change 27
Resistance to Change 28
Individual Resistance 28
Managing Resistance to Change 30
Behavioural Reactions to Change 30

Chapter 3 Organizational Culture and Climate **35**
What is Organizational Culture? 36
Levels of Organizational Culture 38
Organizational Culture: Uniform or Pockets of Different Cultures 39
Weak vs Strong Organizational Culture 40
Role of Organizational Culture 40
Types of Organizational Culture 41
How Does Organizational Culture Start? 42
The Stages of Organizational Culture 43
How Does Organizational Culture Get Transmitted? 43
Sustaining Organizational Culture 45
When Organizational Culture Becomes a Liability? 46
Changing Organizational Culture 46
Organizational Climate 47
Organizational Culture vs National Culture 48

Scanned with OKEN Scanner

Chapter 4 Conflict and Negotiation in Organization 53
What is a Conflict? 54
Intra-individual Conflict 54
Interpersonal Conflict 56
Functional and Dysfunctional Conflict 57
Interpersonal Conflict Process 58
Causes of Conflict 59
Consequences of Dysfunctional Conflict within an Organization 62
Outcomes of Conflict 62
Management of Conflicts 63
Negotiation 65
Effect of Culture on Negotiation Process 65

Chapter 5 Management of Group Processes 69
Definition of Groups 69
Reasons for Joining a Group 70
Types of Groups 70
How are Groups Formed? 72
Teams and Groups 73
Team Effectiveness Model 75
Team Building 80
Outbound Experiential Learning 80
Group Decision Making 82

Chapter 6 Leadership and Change 87
Leadership 88
Leadership and Change 91
Leaders vs Managers: Some Fundamental Differences 91
Theories of Leadership 92
Leader–Member Exchange (LMX) Model 96
Likert's Four Styles of Management 99
The Path–Goal Theory 100
Transformational Leadership 101

Chapter 7 Power and Politics 105
What is Power? 106
Power Dynamics 106
Source of Power 107

Scanned with OKEN Scanner

Effective Use of Power: Various Influence Strategies 109
Probable Effects of Power 111
Organizational Politics 112

Chapter 8 **Process of Employee Empowerment** **117**
What Is Empowerment? 118
Definition of Employee Empowerment 119
Characteristics of Employee Empowerment 119
Process of Employee Empowerment 120
Characteristics of Empowered Organizations 123
Benefits of Empowerment 123
Problems of Employee Empowerment 124
Steps of Empowerment 125
Empowerment and Organization Development 125

Chapter 9 **Management of Diversity Including Gender Issues and Cross-cultural Dynamics** **129**
Definition of Diversity 131
Managing Diversity 133
Diversity Programmes 134

Chapter 10 **Organizational Change** **139**
Need for Change 139
Nature of Organizational Change 140
Forces Responsible for Change 140
Types of Change 142
Theories of Planned Change 143
Different Models for Understanding Change 145
Resistance to Change 148

Chapter 11 **Organization Development** **155**
Introduction 158
Why Organization Development? 158
Definition of Organization Development 158
Characteristics of OD 159
History of OD as a Discipline 160
OD in India 163
Seven Stages of OD Cycle 163

Scanned with OKEN Scanner

Chapter 12 **Agents for Organization Development** 169
Change Agents: Who Will Take the Cudgel? 170
Role of Change Agents in an Organization 171
Who Practices OD? 171
Skills and Competencies Required for Effective Change Agents 172
Values and Ethics of OD Consultants 173

Chapter 13 **Organization Development and Its Steps** 177
Diagnosing the Organization 178
The Different Phases of OD Programme 181

Chapter 14 **Different OD Intervention Strategies** 185
Action Research and Organizational Development Intervention Strategies 186
What is an OD Intervention? 187
Characteristics of OD Interventions 188
Implementing OD Interventions 188
Evaluating OD Interventions 188
Categories of OD Intervention Strategies 189
Brief Overview of Different OD Interventions 189

Scanned with OKEN Scanner