

Organization Development

Session 2
Sem II (HRM)

Organization Development

- OD is a body of knowledge and practise that enhances organizational performance and individual development, viewing the organization as a complex system of systems that exists within a larger system, each of which has its own attributes and degree of alignment.

Characteristic of OD

- OD is a planned strategy
- OD always involves a collaborative approach to change.
- OD Programmes Emphasizes on Improving Performance.
- OD is a Normative process.
- OD represents a systems approach.
- OD is an applied field.

OD Process

STEP: 1 Initial Diagnosis

STEP:2 Data Collection

STEP:3 Data Feedback and Confrontation

STEP:4 Selection and Design Interventions

STEP:5 Implementation of Intervention

STEP:6 Action Planning and Problem Solving

STEP:7 Team Building

STEP:8 Inter Group Development

STEP:9 Evaluation and Follow up

Various OD Interventions

- Survey Feedback Activities
- Process Consultation
- Grid Organization Development Activities
- Coaching and Counselling Activities
- Life and Career Planning Activities
- Planning and Goal Setting Activities
- Third party Intervention
- Team- Building Interventions
- Strategic Interventions
- Diagnostic Activities

Organizational Structure

- According to Mintzberg:
“ Organization Structure can be defined as the sum total of the ways in which the enterprise divides its labour into distinct tasks and achieve coordination among them.”

Features of Good Organizational Structure

1. Simplicity
2. Flexibility
3. Clear line of Authority
4. Application of ultimate responsibility
5. Proper delegation of authority
6. Minimum possible managerial levels
7. Proper emphasis on staff
8. Provision for top management

Elements of Organizational Structure

1. Work specialization
2. Departmentalization
3. Chain of Command
4. Span of Management
5. Centralization and decentralization
6. Formalization

Factors influencing Organizational Structure

1. Size
2. Technology
3. Environment
4. Culture
5. Strategy

Business Process Re- Engineering

- According to Hammer and Stanton:
“ BPR can be defined as fundamental rethinking and radical redesign of business processes to bring about dramatic improvements in performance”.

Need for BPR

1. Business Efficiency
2. Improved Techniques
3. New Requirements

Process of BPR

1. Develop the Business Vision and Process Objectives
2. Identify the business processes to be redesigned
3. Understand and measure existing processes
4. Identify IT levers
5. Design and build prototype of new process

Importance of BPR

- Business efficiency
- Reduces cost
- Provides meaningful job for employees
- Improves organizational approach
- Facilitates growth of business

Limitations of BPR

- Re-engineering too many processes at Initial stage.
- Inadequate training of process owners and Team members.
- Unclear knowledge of re-engineering

Multi-Skilling

- According to David and Fredericks:
“ Multi-skilling is the acquisition of knowledge, skills, competency and experiences, which enables the individual to perform tasks outside their immediate job requirements”.

Types of Multi skilling

1. Vertical Multi skilling
2. Horizontal multi skilling
3. Depth Multi skilling
4. Multi skilled teams

Importance of Multi Skilling

1. Improved communication
2. Positive effects on Innovation
3. Employment security
4. Task/Project Efficiency
5. Competitive market
6. Management Effectiveness

Limitations in Multi skilling

- Time consuming
- Disruption of teams
- Fear of exit of multi skilled employees
- Leads to frustration