



RESEARCH ARTICLE

ORGANIZATIONAL CHANGE AND EFFECTIVENESS – A STUDY OF AN OVERVIEW OF DIFFERENT AUTHORS

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ABSTRACT

This paper discusses and highlights about concept of organizational change given by various authors. Typically, the concept of organizational change is in regard to organization-wide change, as opposed to smaller changes such as adding a new person, modifying a program, etc. Examples of organization-wide change might include a change in mission, restructuring operations (e.g., restructuring to self-managed teams, layoffs, etc.), new technologies, mergers, major collaborations, "rightsizing", new programs such as Total Quality Management, re-engineering, etc. Some experts refer to organizational transformation. Often this term designates a fundamental and radical reorientation in the way the organization operates. Change should not be done for the sake of change -- it's a strategy to accomplish some overall goal.

INTRODUCTION

Organizational Change

Usually organizational change is provoked by some major outside driving force, e.g., substantial cuts in funding, address major new markets/clients, need for dramatic increases in productivity/services, etc. Typically, organizations must undertake organization-wide change to evolve to a different level in their life cycle, e.g., going from a highly reactive, entrepreneurial organization to more stable and planned development. Transition to a new chief executive can provoke organization-wide change when his or her new and unique personality pervades the entire organization. Typically there are strong resistances to change. People are afraid of the unknown. Many are inherently cynical about change, particularly from reading about the notion of "change" as if it's a mantra. Many doubt there are effective means to accomplish major organizational change. Often there are conflicting goals in the organization, e.g., to increase resources to accomplish the change yet concurrently cut costs to remain viable. Organization-wide change often goes against the very values held dear by members in the organization, that is, the change may go against how members believe things should be done. That's why much of organizational-change literature discusses needed changes in the culture of the organization, including changes in members' values and beliefs and in the way they enact these values and beliefs. Successful change must involve top management, including the board and chief executive. Usually there's a champion who initially instigates the change

by being visionary, persuasive and consistent. A change agent role is usually responsible to translate the vision to a realistic plan and carry out the plan. Change is usually best carried out as a team-wide effort. Communications about the change should be frequent and with all organization members. To sustain change, the structures of the organization itself should be modified, including strategic plans, policies and procedures. This change in the structures of the organization typically involves an unfreezing, change and re-freezing process. The best approaches to address resistances is through increased and sustained communications and education. For example, the leader should meet with all managers and staff to explain reasons for the change, how it generally will be carried out and where others can go for additional information. A plan should be developed and communicated. Plans do change. That's fine, but communicate that the plan has changed and why. Forums should be held for organization members to express their ideas for the plan. They should be able to express their concerns and frustrations as well. An organisation chart may emphasize which are the front-line departments at that particular point of time, which are supporting, which provide a service and which, if any, serve head office and the board. Front-line may be production or it may be selling and marketing; supporting may be the engineering division. Service divisions could be finance and personnel, while head office and the board may be backed by a corporate planning department. In an insurance company it may be selling or it may indeed be the successful investment of its funds which determines company results. In telecommunications it could be either selling of equipment or else operating the telecommunications network which is regarded as the main business of the company, or indeed both together, side by side, dependent on conditions existing at the time. In engineering contracting it could be selling, designing,

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procurement or construction which are regarded as front-line divisions, although of course all four need to co-operate and each one needs to do its work according to plan and within cost estimates so that the completed contract can be handed over to the client on the promised day, within the cost estimate, working to the client's satisfaction. Misunderstandings between employees or groups concerning the division of work, work allocation and priorities in the end need to be resolved at that position on the organisation chart where the two lines meet. Here lies the responsibility for effective organisation, for sorting out such problems. The sorting out of problems such as these would take place in the first instance by talking with people, by discussion. Different organisations have different practices dependent on the style of management, dependent on the trust, co-operation and teamwork between those who work in them but almost invariably the resulting decision is confirmed in writing. Many difficulties arise from the way in which people work together in different groups or departments and it is because of this that large organisations generally fail to achieve the kind of close co-operation so common in smaller companies.

Views of different authors

Cameron (1985) in his study showed that the organizations that achieved the highest levels of effectiveness scores were also those that satisfied the most separate constituency group expectations, even when different constituencies held contradictory expectations. Highly effective organizations were paradoxical as they performed in contradictory ways to satisfy contradictory expectations. Peters and Waterman (1982) had stated that the excellent companies have learnt how to manage paradox. Although paradox leads to tension, it is the presence of balanced paradoxes that energizes and empowers systems, therefore, a potential balance should be maintained, because contradictions need not be reconciled as paradoxes are not necessarily dialectical. The need to resolve all simultaneous contradictions, in fact may inhibit excellence by eliminating the creative tension that paradoxes produce. Cameron (1986) concluded that organizational effectiveness is inherently paradoxical. In fact if seen we see that organizational effectiveness is not an end in itself but is a continuing process. Yuchtman and Seashore (1967) have mentioned about using the operative goals rather than official goals for the measurement of organizational effectiveness. It is left for the organization to select for the use of weighted goals to find the organizational effectiveness.

By using this method the firm would be able to use the entire concepts for measuring effectiveness. Steers (1975) suggested that the use of weighted goal optimization would allow for flexibility, the term which was used by Georgopoulos and Tannenbaum (1957). It should also be kept in mind that we should use quality and the quantity to determine the effectiveness. The prior studies have shown the amount of change that occurs in organizational effectiveness after changes were made in top leadership Lieberman and O'Connor (1972). Steers (1975) suggested managerial policies and practices as one of the most important determinants of organizational effectiveness. The top managers facilitate goal directed activities by using management techniques like planning, directing, coordinating, facilitating and communicating. According to Katz and Kahn (1978), Leadership fills the void left by the incompleteness and imperfections of organizational design, because it is not

possible to design the perfect organization and accounting for every member's activities at all times, so that it should be insured that human behaviour is coordinated and distributed. Lewin and Minton (1986) have suggested a mathematical model – Data development analysis, which they believe to be potentially useful for relating organizational design to organizational effectiveness. Such a model is capable of identifying multiple outcome measures which contribute to organizational effectiveness. We have also to see that organizational culture does not slow the progress of organizational effectiveness.

There are different models of organizational effectiveness that are useful for research in different aspects. That usefulness depends upon the focused purpose. Campbell (1977) in his works on the nature of organizational effectiveness had stated that criteria of organizational effectiveness are based on value judgments and there are no algorithms or higher order truth to which we can appeal. It can be said that the organizational effectiveness is a construct which can be analyzed based on the researcher that what he wants to get out at the end of investigation. There are many outputs such as profitability, productivity, loyalty, employee retrenchment ratio and the others which can be made based on the researcher. According to Cameron and Whetten (1983) the task is to determine the relationship of the views of the area to one another as the researchers move from one perspective to another. He raised the issue in the form of seven questions to be answered by the evaluators prior to the assessment of organizational effectiveness, the questions are as – from whose perspective is effectiveness being assessed, what is the referent against which effectiveness is judged, on what domain of activity is the assessment focused, what is the purpose of assessing effectiveness, what level of analysis is being used, what type of data are being used for assessments and what time frame is being employed.

This indicates that the focus is on matching an appropriate model with the appropriate circumstances. Hence to overcome such problems, both objective and subjective indicators should be included to assess organizational effectiveness Pennings (1975) and Pennings (1976), Fiedler and Garcia (1987). According to Campbell (1977), the objective criteria measurements are inappropriate and preordained to fail in the end. According to him, the effectiveness criteria should always be subjective. Similarly Likert (1958) indicated twelve indicators to measure organizational performance to obtain periodic measurements of the character and the quality of the organization. Salaam, Jonathans and Sims (1977) came out with a new approach of 360 degree appraisal whereby appraisals are required to be carried out not only by the supervisors but also by those supervised i.e. the subordinates and the peers. Wayne and Liden (1955) proposed the subordinates impression management behaviour, influenced supervisory performance ratings through their impact on supervisor's perceptions of similarity to subordinates, which in turn influence performance ratings.

Conclusion

Hence it can be concluded that the best criteria for assessing effectiveness are unknown and that effectiveness' is more divergent a problem in Schumacher's sense. Divergent problems are that which are not easily quantifiable or verifiable and that does not have a single solution.

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