A STUDY ON IMPROVEMENT PROCESS AND BENEFITS OF ORGANIZATIONAL DEVELOPMENT

Dr. B. DHARMA

Assistant Director

Dr. B.R. Ambedkar Open University

Jubilee Hill, Hyderabad.

Email Id: drdharmab@gmail.com

ABSTRACT:

Organizational development is a set of behavioral science techniques designed to plan and implement change in work settings. The major techniques of organizational development attempt to produce some kind of change in individual employees, work groups, and/or the entire organization. Organization Development (OD) is still an emerging concept in developing countries. Since universities are the places where the future of the countries is being nourished and developed. Faced with cutbacks in funding, escalating costs, global competition for limited resources, and a demand for higher-quality outcomes, organizations of all types have felt the pressure to operate more effectively. Organizational improvement is required. The researchers have designed model by using the techniques of OD including business process reengineering which, in a sense, is also a part of OD, for improving the overall quality of education in public sector universities. By this time the concept of organization development has become more or less known among Hungarian theoretical and practical experts as well. This paper focuses on improvement process of the OD and also explains the benefits of OD with limitations.

Keywords: Organization, Organizational Performance, Quality of Work.

INTRODUCTION:

Organization Development (OD) applies behavioral-science knowledge and practices to help organizations change to achieve greater effectiveness. It seeks to improve how organizations relate to their external environments and function internally to attain high performance and high quality of work life. OD emphasizes change in organizations that is planned and implemented deliberately. It is both an applied field of social practice and a domain of scientific inquiry. Practitioners, such as managers, staff experts, and consultants, apply relevant knowledge and methods to organization change processes, while researchers study those processes to derive new knowledge that can subsequently be applied elsewhere. In practice, this distinction between application and knowledge generation is not straightforward as OD practitioners and researchers often work closely together to jointly apply knowledge and learn from those experiences. Thus, OD is an action science where knowledge is developed in the context of applying it and learning from the consequences.

In many respects, the action research model reflects a similar commitment to continuous improvement. An earlier model suggested a cyclical but sequential model, much like the PDCA model. This type of model, however, has been criticized on a number of counts. For example, even though the model appears to be cyclical, the unidirectional arrows still suggest a linear model. Furthermore, there is no indication of overlap between the phases, or any suggestion that there might be a back and forth movement among the phases. As a result, a modification of this model (see Figure 1) is used, called the organization development process (ODP) model.

The ODP model consists of eight components or phases with interactivity among the phases. Each of these phases applies whether or not the OD professional is an internal or external consultant. Keeping in mind that OD can be applied at different levels of depth, some of these phases will be very brief and superficial, while more in-depth OD efforts will require more time, resources, and effort.
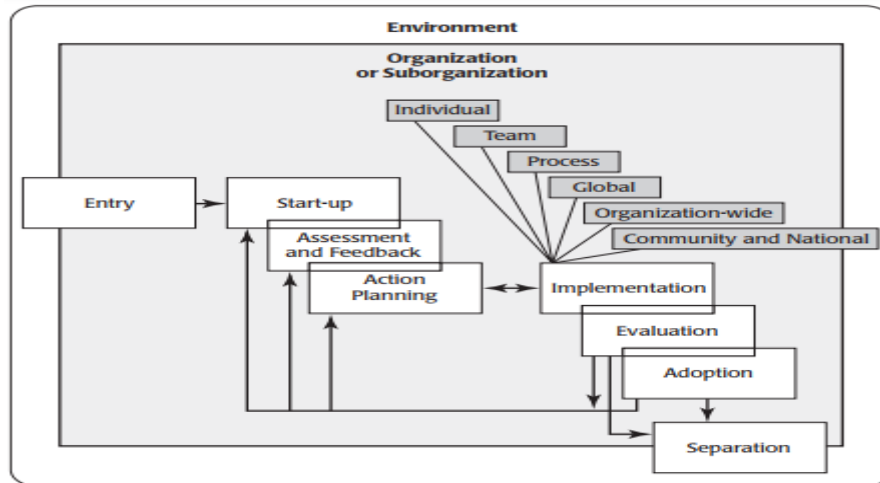
Figure 1 Organization Development Process Model

LITERATURE:

Ramesh, R et al (2014) Organizations today understand that in a knowledge-driven economy, speed in taking decisions, efficient methods of functioning and innovative ideas help them gain an edge over competitors. This article explain the importance of empowerment in organizational development and also the role of management, employers and employees in organization development though empowerment.

Raja Abdul Ghafoor Khan et al (2011) The focus of current study is to understand the affect of Training and Development, On the Job Training, Training Design and Delivery style on Organizational performance. Results show that Training and Development, On the Job Training, Training Design and Delivery style have significant affect on Organizational Performance and all these have positively affect the Organizational Performance. It means it increases the overall organizational performance. We also prove our Hypothesis through empirical data.

Tímea Budai (2011) Because of the standardization of world economy, the speeding up of technical development and the sharpening market competition there is more and more responsibility on managers, whose primary duties are to make sure the efficient and successful work of the organizations.

Fred C. Lunenburg (2010) Organizational development is a set of behavioral science techniques designed to plan and implement change in work settings. The major techniques of organizational development attempt to produce some kind of change in individual employees,

work groups, and/or the entire organization. These change techniques can be divided into two categories: process and structural. In this article, I discuss four process change techniques and four structural change techniques.

Kenneth A. Potocki et al (1995) Organizational improvement is required based upon various management approaches, five guiding principles are being used to make outstanding improvements in organizational performance: measurements/benchmarking, leadership, employee involvement, process improvement, and customer focus.

METHODS FOR IMPROVING ORGANIZATIONAL DEVELOPMENT:
In an organizational improvement context, analysis and decision includes the leadership, employee involvement, process improvements, and communications necessary to tailor a specific response. The third element, response, represents the output of the system. In an organizational improvement context, an output could be customer-focused improvements in product or performance. Thus, the system of management for organizational improvement has five interrelated components as shown in Fig. 2

The first of these components, measurements/benchmarking, allows an organization to objectively evaluate whether changes are necessary and whether activities lead to better performance results. When used to assess feedback, measurements/benchmarking can help to identify gaps between the system's current state, "what is," and its desired future state, "what should be." The results of the assessment can serve as an input for planning system changes or process improvements. In addition, measurements/benchmarking can be used as a "feed forward" mechanism to predict trends, forecast future environments, and anticipate needed improvements. This allows organizations to change course and anticipate the needs of customers for new products or new services
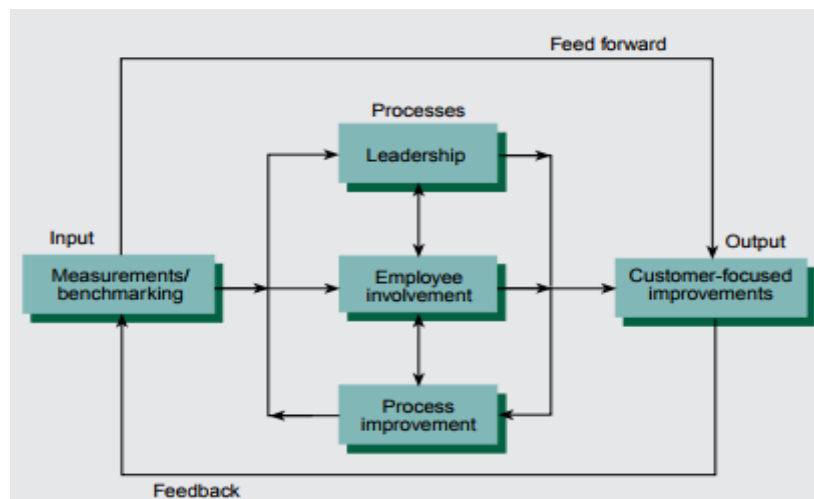

Figure2. A system of management for organizational improvement

Growth
Organizational development is an important tool in managing and planning corporate growth. An organizational development analysis brings together sales projections and consumer

demand to help determine the rate of company growth. This information is used to alter the company business plan and plan the expansion and use of company resources such as personnel and the distribution network to accommodate future growth.

Work Processes

When a company is involved in organizational development, it analyzes work processes for efficiency and accuracy. Any quality control measures required to attain company standards are put in place. Evaluators analyze duplicate process, or processes that can be combined for greater efficiency, and develop and implement detailed plans on how to improve company methods.

Product Innovation

Product innovation requires the analysis of several kinds of information to be successful. Organizational development is critical to product innovation because it can help analyze each element of product development and create a method for using it effectively. Some of the processes that come together in organizational development to assist in product innovation are competitive analysis, technology development, consumer preferences, target market research, manufacturing capabilities analysis and patents and trademarks.

BENEFITS OF ORGANIZATIONAL DEVELOPMENT:

OD is the practice of planned, systemic change in the beliefs, attitudes and values of employees for individual and company growth. The purpose of OD is to enable an organization to better respond and adapt to industry/market changes and technological advances. In today's post we will focus on five benefits of OD from continuous improvement to increased profits.

1) Continuous Improvement – Companies that engage in organizational development commit to continually improving their business and offerings. The OD process creates a continuous cycle of improvement whereby strategies are planned, implemented, evaluated, improved and monitored. Organizational development is a proactive approach that embraces change (internal and external) and leverages it for renewal.

2) Increased Communication – One of the key advantages to OD is increased communication, feedback and interaction within the organization. The goal of improving communication is to align all employees to shared company goals and values. Candid communication also leads to increased understanding of the need for change within the organization. Communication is open across all levels of the organization and relevant feedback is recurrently shared for improvement.

3) Employee Development – Organizational development focuses on increased communication to influence employees to bring about desired changes. The need for employee development stems from constant industry and market changes. This causes an organization to regularly enhance employee skills to meet evolving market requirements. This is achieved through a program of learning, training, skills/competency enhancement and work process improvements.

4) Product & Service Enhancement – A major benefit of OD is innovation, which leads to product and service enhancement. Innovation is achieved through employee development, which focuses on rewarding successes and boosting motivation and morale. In this scenario, employee engagement is high leading to increased creativity and innovation. Organizational development also increases product innovation by using competitive analysis, market research and consumer expectations and preferences.

5) Increased Profit- Organizational development affects the bottom line in a variety of ways. Through raised innovation and productivity, efficiency and profits are increased. Costs are also reduced by minimizing employee turnover and absenteeism. As OD aligns objectives and focuses on development, product/service quality and employee satisfaction are increased. The culture shift to one of continuous improvement gives the company a distinct advantage in the competitive marketplace.

OBJECTIVES OF OD
The objectives of OD may be stated as follows:
1. Improved organizational performance as measured by profitability, market share, innovativeness etc.
2. OD's major focus is to improve the functioning of individuals, teams and the total organization.
3. OD aims at teaching members in the organization to continuously learn to improve their functioning and able to solve their own problems.
4. OD represents a viable strategy for improving organization effectiveness and enhancing the' quality of work life of members.

CONSTRAINTS AND LIMITATIONS
Many constraints have been observed in implementation of OD effort in this organization. Some of them are listed below:

Large Size of Organization
Employee strength of about 19,000 posed a great deal of constraints. OD being an educational strategy for such an organization it becomes a long drawn process and to sustain the interest of employees in such a process is difficult.

Inadequate Involvement of Line Managers
OD being a more human-oriented strategy, it becomes difficult to measure the gains, as is possible with use of other productivity techniques. Thereby to involve line managers in OD effort becomes difficult because of their production-orientation.

Lack of Enough Indian Experience in OD
There were very few organizations experimenting OD effort in India. The experiences of other organizations are not available for guidance, and thereby with every OD effort in any organization, a lurking fear of failure existed.

Lack of Availability of Expertise and Facilities for Developing Internal Change Agents
Very few consultants in the field of OD are available in India and thereby their availability at times becomes a constraint. There is hardly any institute in India which undertakes the intensive programmes for developing organizational change agents.

Due to the methods used and the enhancement of the improvement we had obtained. The following theoretical results are for improving Organizational Development.
Improvement in production and productivity

Year	Output (Rs. Crore)	Value-added per employee
2005-06	292	75122
2006-07	383	77070
2007-08	416	87162
2008-09	440	87501
2009-10	468	92756

Here are some observations which are presented below in Chart
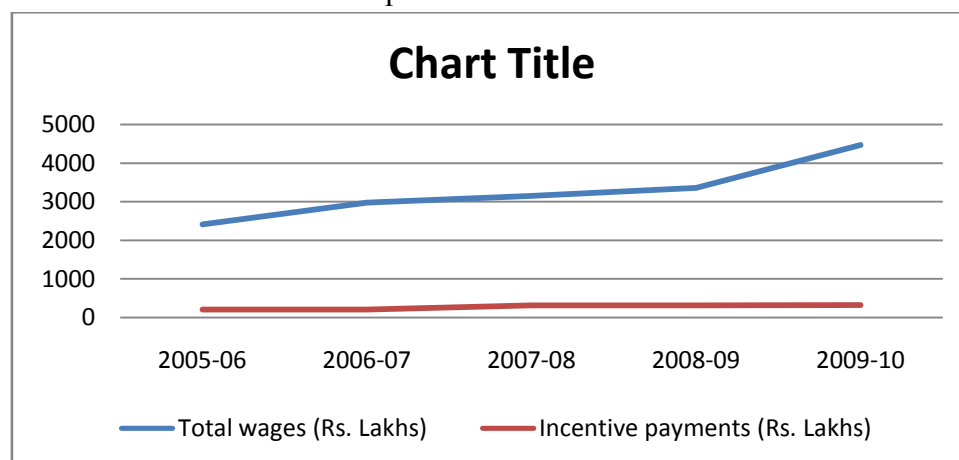
Output-based incentive earnings increased

Year	Total wages (Rs. Lakhs)	Incentive payments (Rs. Lakhs)
2005-06	2414	206
2006-07	2975	202.38
2007-08	3150	308

2008-09	3358	312
2009-10	4468	320
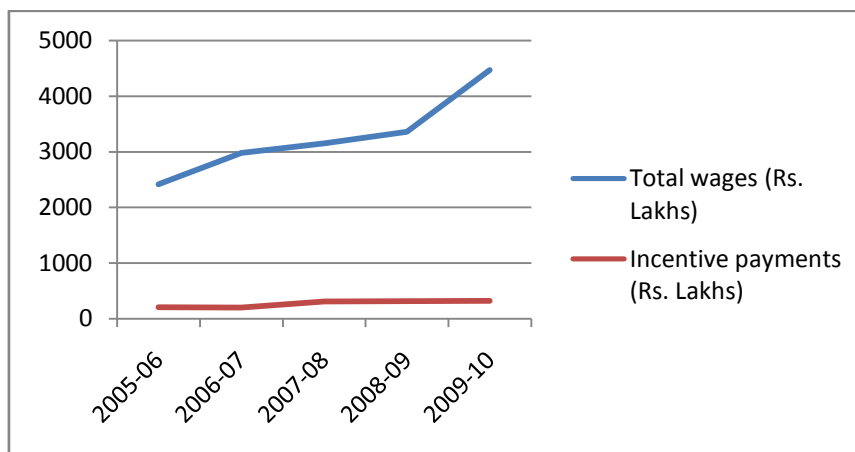
Here by we are declaring that the above results shown cause a balance improvement in theoretical strategy.

CONCLUSION:

Organization development and the science of management itself can use only that knowledge and ideas which can be alloyed with the results of other sciences and which can be well applied in organizational practice as well. Organizational development is a set of behavioral science techniques or interventions designed to plan and implement change in work settings.

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