

On Managing Change in Organizations
Prof. K. B. L. Srivastava
Department of Humanities and Social Sciences
Indian Institute of Technology, Kharagpur

Lecture -11
Diagnosing Organisational Change

So, welcome back to this course on Managing Change in Organizations. Till date we have completed two modules, two week courses. Now we are moving to the third week and in this week we will talk about the diagnosis part that how do we identify what kind of change is required. You remember in the beginning we started with a discussing that there is a need to identify whether change is required or not and that is why we talked about why we need to go for a change..

And then the next part basically, we discussed about that what kind of changes are required and that is where we discussed about incremental changes or transformational changes. And then we also talked about the different kind of changes that takes place in the organizations for example, whether the change is going to be in strategy of the organization or the structure is going to be change or the culture or the technology or the people related issues.

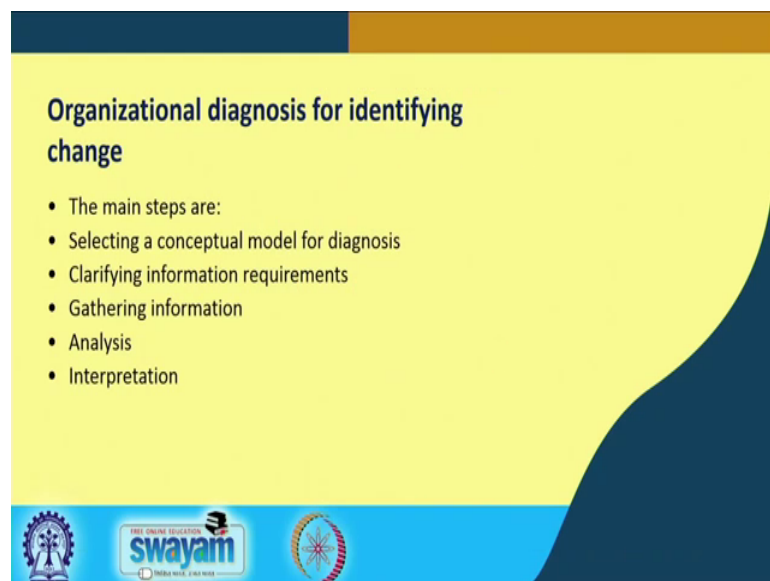
Now when we are discussing we also try to see that how we can go for a better alignment between these factors or these area of changes. But before we decide whether we go for a particular change we need to decide were the change is required right. So, now what we are going to discuss is that how we go about identifying what kind of change is required and for that we will be discussing certain frame works, models and tools which helps us to identify where the changes required right.

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So, basically in this week we are going to cover these following concepts. How to go about diagnosing, what are the models and approaches to change and then, we will also discuss another important issue related to this is that how we are going to identify the kind of resistance, that could be faced by the by the organization from the employees, another stakeholders when you go for the change and finally, how we are going to manage resistance. So, these are the various concepts which we are likely to cover during this week especially in the third week.

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So, we are starting with organizational diagnosis that how we go about diagnosing. So, when we are talking about diagnosis it means that you need to identify, where the change is required. So, when you go for identifying where the change is required you need to follow certain steps, certain frame works, certain models right.

So, the steps that include that to start with you need to look at the various models which are available to you. So, there could be number of models which are available ok. So, you can use any of these frame work depending upon your requirement, at the same time you can use more than one models, but it is always good to go for one model. So, you need to create a conceptual model for diagnosis and then see whether the model that you have selected is going to help you to identify the areas where the change is required or not. And then once you select any particular model the next task is to see that in order to use that particular model of framework what are the various information that is required.

For example if you use any particular model. So, this model asks for certain information. We will talk about this models at a later stage, but here what I am trying to tell you is that if you are to use any model for diagnosing then you need to make sure that you have all the information which is required by that model of framework to make use of it. So, you look at whether the information that you require is available and if the information is available you need to collect that information from where is this stakeholders may be from the employees, from the management or from other sources. So, once the information is gathered or collected from various stakeholders of the organization and then you use this information put it to the model and then go for analyzing that.

So, this analysis basically would help you to see that whether this model is fitting into the data that you have obtained and then that would also help you to see that where the problem is. So, you can you will be able to locate the problem areas only when you analyze the model based on the information that is the available to you.

So, it is very very important to select a model, you see whether the information is available or not and then use that information to analyze and interpret the data to ensure or to find out you can say the location or the area of change right.

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The role of diagnostic models

We simplify the real world by developing models that focus attention on

- A limited number of key elements
- The way these elements interact with each other
- The outputs produced by these interactions

We use these models to :

Guide the kind of information that we attend to interpret what we see and decide how to act

Logos: IIT Bombay, SWAYAM, and a circular logo with a gear and a person.

A small video inset shows a man in a white shirt speaking.

So, when you are going to use any diagnostic framework or models you need certain information. Now, why we are using certain diagnostic models or frameworks? Because if we are not using certain concepts frameworks or models what happens, then probably you try to explore each and everything right and it may be more time consuming, you need more resources right. And you are not sure whether you will be able to find out the area or the location where you need to go for a change.

So, this the frameworks or the models have been identified or have been used by practitioners you can say to find out the problems are those areas where there require requirement for the need is, so the change for need is required. So, you have to use these models and that actually simplifies your job right. So, these models basically are nothing else, but they have emulated real words situations and they try to see that, what are the possible areas, where the change would be required right. So, they identify those areas where the changes is required so they are basically known as components. So, they identify the components, and they also identify how these various components are related to each other because suppose you identify components a structure, system, strategy, culture, people, technology..

Now if you are able to identify these components where the possible changes are required, then you also need to see that how these areas are interconnected or related with each other right. An as a result of this interaction what kind of outcome is being

produced by right and that is why it is always good to go for some kind of diagnostic models so that you know that these are the possible areas, these are the kind of things are information that you are require. These are the things that you need to interprets, and decide and then it also tells, what is to be done and how to act.

Instead of that if you are not using any of this diagnostic models probably you are in a more exploratory mode ok, you try your best you look for information here and there and then try to see where the change is required and you are not able identify which could be more time consuming, also resource consuming.

So, it is always good to use some of this diagnostic models and these diagnostic models basically help you to proceed in a guided direction to find out whether change is required and then acting on that, and that is way we go for using these diagnostic models.

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The slide is titled "Diagnosing Tools and Change" and features a yellow background with a dark blue curved shape on the right side. It contains three bullet points:

- The image of the change manager has an impact on the types of tools that is used.
- The different images highlight the range of reasons why tools like these may be utilized.
- They illustrate the different ways change can be interpreted

At the bottom of the slide, there are logos for "swayam" (Free Online Education) and "INDIA RISE WITH EDUCATION". A small video inset in the bottom right corner shows a man with glasses speaking.

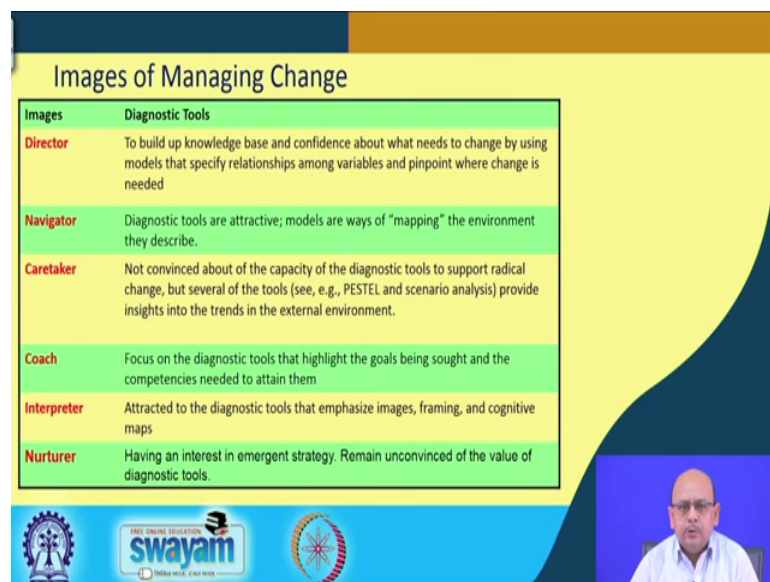
Now moving further, see when any of these diagnostic tools or models are used basically to bring about a change; now the change managers have a big responsibility there right. Remember we talked about change managers and their images right. So, different kind of change managers, use different kind of a image tools right.

So, depending upon what kind of change manager you are right you are going to use one of these models right. And the these different the reason I am telling you that why different images that these change managers has because their inclination or tendency to

use certain things based upon (Refer Time: 09:06) framework of that particular image right. And you know that if you have different images they also actually are used to see that how change is being interpreted.

So, different image change managers who have different images are going to illustrate or use the same context or the same situation in different ways, right. So, the idea here is that since the number of models and frameworks are available and depending upon their requirement the change managers are going to use a particular tool as specific tool and this depends upon what kind of image they have formed right. So, what we are going to discuss next is the depending upon the image of the change managers what kind of diagnostics tools their likely to use.

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Images	Diagnostic Tools
Director	To build up knowledge base and confidence about what needs to change by using models that specify relationships among variables and pinpoint where change is needed
Navigator	Diagnostic tools are attractive; models are ways of "mapping" the environment they describe.
Caretaker	Not convinced about the capacity of the diagnostic tools to support radical change, but several of the tools (see, e.g., PESTEL and scenario analysis) provide insights into the trends in the external environment.
Coach	Focus on the diagnostic tools that highlight the goals being sought and the competencies needed to attain them
Interpreter	Attracted to the diagnostic tools that emphasize images, framing, and cognitive maps
Nurturer	Having an interest in emergent strategy. Remain unconvinced of the value of diagnostic tools.

Now, if you look at this talks about six different images that we have discussed in the first week like director the, if you look at the image of a director is set up down approach right. And they always try to control things, it means that if they want to go for a certain change they decide about it and then they go for it and asks the subordinates to implement it right.

So, if you are following this particular, following under this particular image then what kind of diagnostic tools we are likely to use? So, you to start with, what you do basically? You first of all you try to get information ok, based on your experience and knowledge that what next to be changed. And then you see that how these variables or

the components in that particular model are related and then you will be in a position to identify where the change is required right.

Now if you look at other change images like navigator. So, navigators they find that yes these tools are good they could be used, but to start with what they do basically they try to map the environment. The basic idea of mapping the environment is to identify whether there is a better alignment between these components and the environment both the internal environment and the external environment or not. So, they would be using different kind of models, right.

Then coming to the third type of a image that is caretaker; caretakers basically are not bothered about what kind of changes need to be brought in and they do not follow under the category of what we call shaping or their go for a more participatory reproach. So, they are less concerned about the kind of diagnostic tools that is to be used whether it is incremental changes or whatever change is that is they want to do, but they try to look at what kind of situation is there.

So, they try to create a scenery of the future, they use this pestel; pestel is a basically they try to look at the environment that is political economics social technical right and legal environment. So, they look into this kind of environment and whatever inside the use they get out of this analysis, they try to identify the trend in the external environment. And based on this trend in the external environment they try to see what needs to be done alright.

Coming to the image of coach; coach as you know that the they are suppose to build up the capacity of the people so that they can better scope of the challenges of the change. Now with this orientation they basically would try to focus on those tools which help them to achieve the goals and objectives and then they see that whether in order to achieve those goals and objectives what kind of competencies people need. So, they try to identify the goals and objectives, they also try to identify the competencies that that is require to achieve the goals and objectives in a change the environment. And then see that whether these diagnostic tools are going to be helpful or not right.

Coming to interpreter or interpreter basically they are also try to do similar things, but before that they try to makes sense of the situation, they try to understand what kind of change would be required, they try to make a interpretation both at the organization

level. And then the frame certain situations that if this is the situation, this would be their understanding and interpretation and based on that they would follow a particular framework or model. Models we will be taking up later, what are the various models and frameworks. And finally, we have nurturers and nurturers have a different kind of strategy all together because their idea is to nurturer the people right and they are less concerned with that ask that is at hand right.

So, they are not very very sure that whether these diagnostic tools are going to help them. So, there the basic idea of this particular image is to go with a people and see that what needs to be done to develop them in such a way so that they can cope of with any kind of change all right. So, they are not much bothered about the utility of these diagnostic models. So, if you are being guided by this particular image then you may may not I mean use any of these diagnostic tools and frameworks.

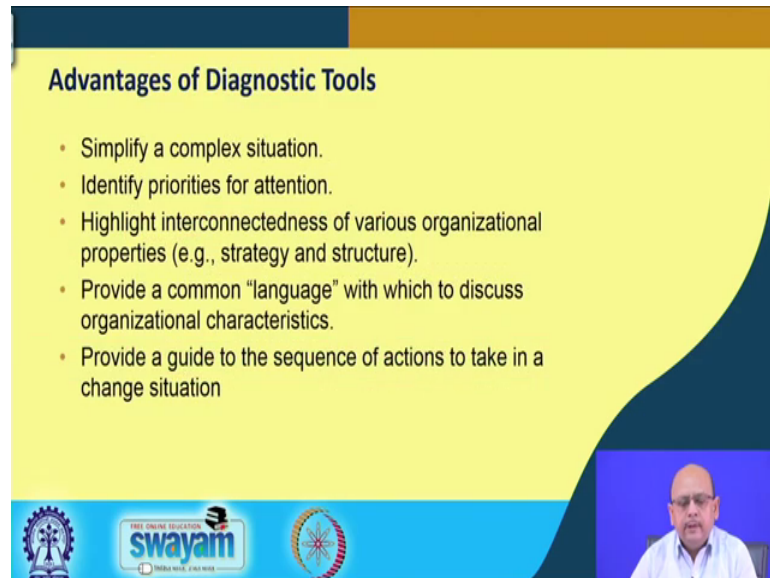
So, probably you try to explore on your own without being confined to a particular framework or model because if you look at these frameworks and models they have certain limitations, because they are talk about certain components, the interaction the relationship between these components and analysis and interpretation of these components. To identify whether this component is working well in the organization or not and that is the how they will be able to identify whether the change is required in that particular component or not alright. But having a image of a nurturer they do not look into these things right, they are not going to be confined by the boundary of these models and frameworks.

So, they go on their own, they try to understand the environment and see that in a particular context how this environment is going to influence the organization and then what needs to be done. So, nurturers might take more time they went to identify what kind of changes would be required because if you have a guided framework that always helps you to identify things more accurately and precisely in a less time with less resources.

But this does not happen with some of the images like what you call say a nurturers or the caretakers they are less bothered about the diagnostic tools and frameworks. But any way when we are talking about these tools and frame works they are always useful, they

always provide some information, some guidance that how to proceed with to identify what kind of change is required.

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Advantages of Diagnostic Tools

- Simplify a complex situation.
- Identify priorities for attention.
- Highlight interconnectedness of various organizational properties (e.g., strategy and structure).
- Provide a common “language” with which to discuss organizational characteristics.
- Provide a guide to the sequence of actions to take in a change situation

And that is what the next point I wanted to identify, that why we go about identifying change using these diagnostic tools and frameworks right. What is the advantage, as I told you that if you do not follow any of these diagnostic tools, what will happen? You take more time to consume more resources about a still you are not sure that whether you have been able to identify the right component. Now when you are able to identify the component you it would be very difficult again you move to a exploratory mode to identify why did it happen, because you need to link it with a environment right. For example, you find that the problem with the strategy.

Now, if a strategy is the problem why this is strategy is not working right whether because the change there is a change in the environment. Then again you go back and look at the environment scan it and then come back to strategy and try to have some kind of alignment. And then a move fourth to see that whether other factors or other components are aligned with a strategy, say structure culture and other components right. So, it is always too good to use to good some kind of diagnostic tools models of framework which are available, which have been practiced a lot also.

So, it is not that they have just been made these or not theoretical models basically they have been tested empirically made violet to different contested situations and they have

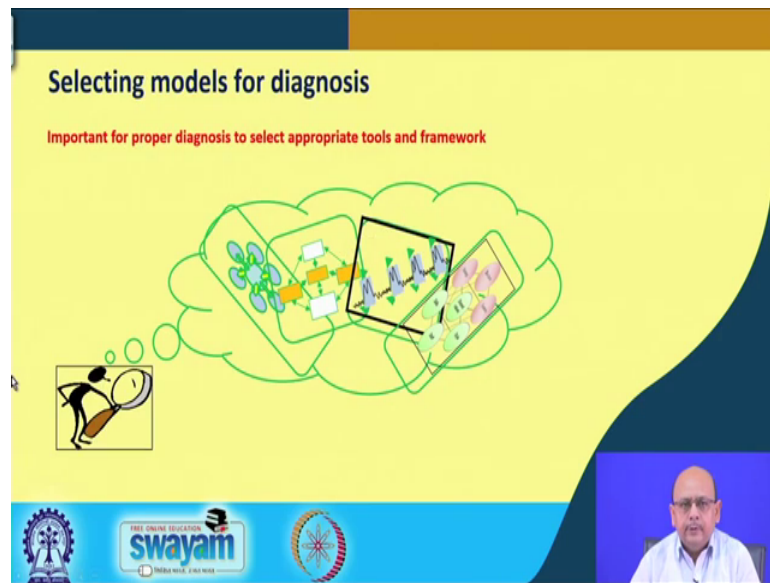
been used by practitioners to see that whether these diagnostic tools and models are working or not. Now coming to this point of advantage see, why were using a particular diagnostic tools? As I told you that it makes use of simple because it breaks down various components into independent components.

So, that is how you simplify a complex situations right and then you see that, what are the areas, where you need to pay high attention. So, you can even priorities which part of the organization needs more attention and which part lead need less attention. And how the various components are the properties of the organizations are interconnected because these models basically have already specified that how these components are going to be interconnected or interrelated right. And then it provides a uniform language system say patron or a trend you can say here.

To see that how we are going to discuss the characteristics of the organization right and finally, it also provides a guide or the sequence of activities that need to be taken in change situation. It is not that you want to bring about a change you know structure right you need able to identify it properly. Now whether these change is required some other alignment into or not that is also identified using these models. So, you know there if you are going for a structural changes what kind of other changes you need to bring about so that you have a better alignment, you have better connectedness and interrelationship between these variables or properties of the organization right.

So, there are lot of advantages of using these diagnostic tools because they put you or confined you to certain frameworks with a boundary they have already identified what are the various components or properties where usually change happens. How these properties are components are interrelated right you use a common language for that right. It also helps to identify other sequence of activities which you need to follow, if you go for a change in a particular component or the property of the organization.

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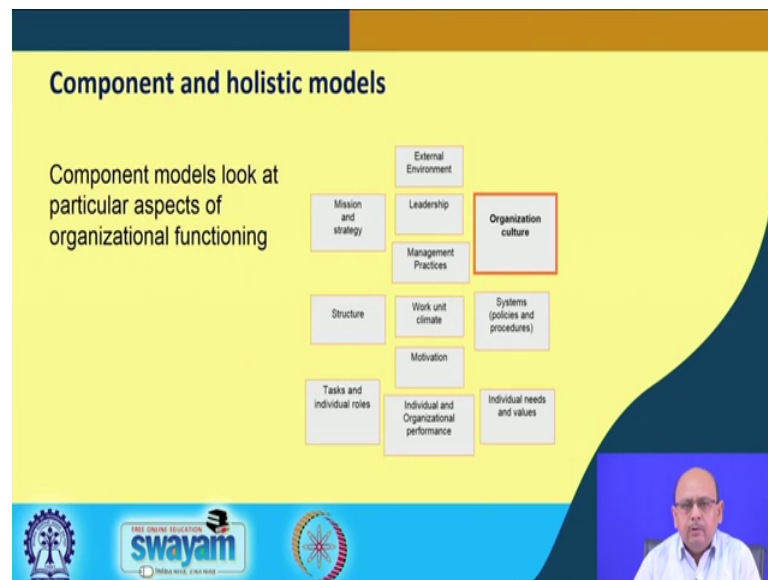
Now, now what we have discussed just now is that what are the various advantages. Now if you look at this picture you can see here that different frameworks, these are different frameworks 1, 2, 3, 4 these 4 frameworks have been depicted here without identifying the component or the other things. So, without identifying the components see that how these all these frameworks basically have certain components 1, 2, 3, 4, 5, 6.

Here you have 5, here you have 4, here you have 3 3 6, 7 right. So, what thing is there that these if you look at these diagnostic tools models each of them differ from each other right in terms of how many properties they are able to identify with a particular model. Now the idea is that you have say four different models right, for diagnosing the area of change. Now the next thing that you require very seriously is that which one out of these 4 is to be used right and why we are use it..

So, here is a individual you can see and he is trying to see that out of these 4 available models which one is to be used right and why you are is to go for this. So, ultimately you see that based on these analysis of the requirement and see whether the information is their whether is whether it is in a position to analyze the interpret the information that is given he has been able to identify this framework which he is going to use to identify the change, that he wants to bring in right.

So, it is very very important that you are able to select a proper model right. Because if you are not able to select a proper model what will happen? We will not be able to

proceed right. So, it is important that if you want to go for proper diagnosis you select appropriate tools and frameworks. So, these their various tools and frameworks which are available. Now what you need to do is that you need to identify which one best suits for your requirement right.



So, moving further what we are going to discuss next is the two different kinds of models are available in the literature, they known as component model on holistic models. Now component model basically try to identify various components right, now if you look at this picture you can see that they have been able to identify a number of components like mission and strategy, leadership which is going to be influence by the external environment.

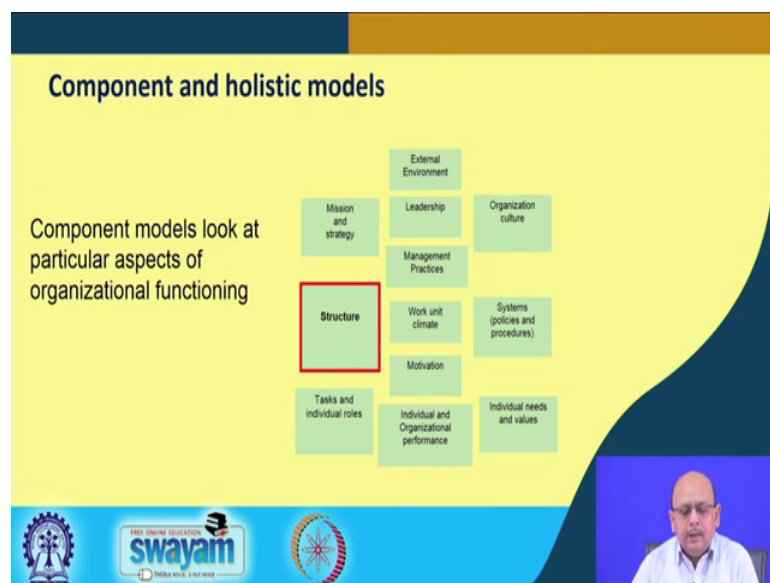
Then you have culture, system, I say needs and values performance tasks and individual roles. So, there are number of components that the model is able to identifying, the model is not a specified at here right because it is not related to a specific model, but these are the various components that could be a part of particular model right.

Now, when we are talking about component model basically they are going to see the how the organization works right. So, they look at these systems and processes, structure, technology and these kind of things and then they are able to identify see why this has been identified. It means it has been picked up showing that this is the, a component which needs to go for a change, it means the culture of the organization is not good weak so this need to be very strong right. So, when we are looking at the component model

they look at various components and they identify, which component is not effective or which component is not working right.

So, when we are using component model basically the idea is to identify which aspect of the organizational functioning is not good and here out of this you can say, then a relevant components they have been able to identify that in hypothetical case that this particular component that is culture is not working effectively right. Now look at the another example.

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See here again sorry, here again you find that the same set of properties or variables are identified in the component model and here it is not the culture. But the in another case they have been able to identify that it is the structure of the organization which is not working well, right.

So, may be if you look at the different kind of change image is that we have been able to identify there are cases when different change managers are based on their understanding and interpretation are able to identify not just one component, but a number of component that needs to go for a change. So, it means at this level based on the analysis using component models what we are going to do? That you are going to bring about a change in the structure of the organization.

And you remember in the last class in the last week we discussed about what are the different kind of a structural changes that you need to bring in alright. Whether you want to reduce the number of levels in the hierarchy or whether you want to go for say deleting some of the departments or you needs alright or whether you are moving to more decentralization or going for less formalization right.

So, different kind of a structural say forms are available and it means that you need to bring about a change in the design of the organization, but define to bring about a change in the design of the organization, then we also look at other components that how this is connected or related with other components. So, you also need to bring about a change in other components of the organization as well alright.

So, these are the components model where you try to identify a component.

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The story of the six blind men feeling an elephant

Problems that can arise when using component models for diagnosis

Each one touched a different part of the elephant's body.

- The blind man who felt a leg said the elephant was like a pillar;
- the one who felt its tail said it was like a rope;
- the one who felt its trunk said it was like a tree branch;
- the one who felt its ear said it was like a hand fan;
- the one who felt its belly said it was like a wall; and
- the one who felt its tusk said it was like a spear.

Only looking at specific components may not give a good impression of what the whole is really like

The slide features an illustration of an elephant with six blind men touching different parts of its body. At the bottom, there are logos for 'swayam' and 'INDIA WISE, LEARN WISE' along with a small video inset of a man speaking.

But what are the drawbacks of this component model? I am trying to give an very old example here, the story of six line when feeling elephant. Now you see this is a organization and these are the various parts of the organization right it is symbolical representation of an organization which is consider here as a elephant and these are the various parts are components of the organization, here you can see it..

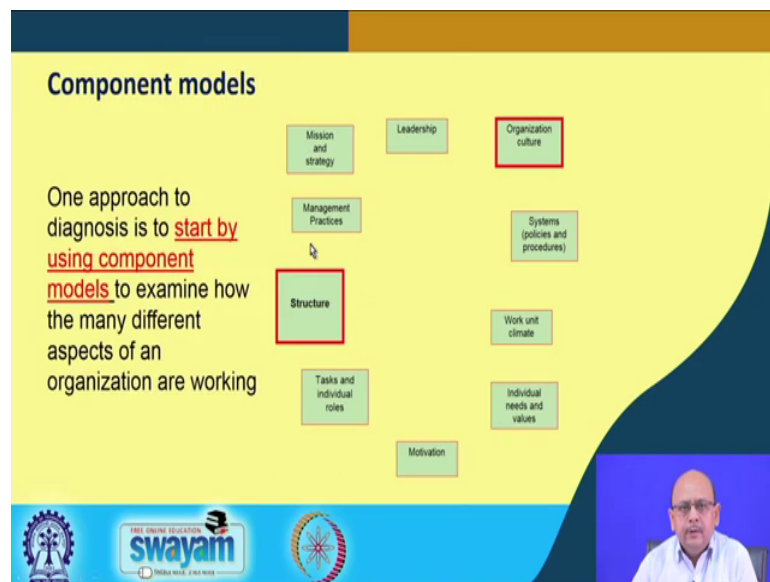
Now different people are looking at different components of the organization ok. So, the what kind of problem would come up if you are using component models because you

are able to just assess just one part of the organization right and different people are going to understand the interpret different part of the organization right. Because each one is going to test only one part of the organization, like in this example we are going to test only part of the body of the elephant right.

For example, if you touch this part the leg right you think that it is like a pillar right, if you just touch the tail right you think it is like a rope right, if you look at the trunk part then you think that it is like a tree branch right, if you look at the ear then thing like the fan right. So, the interpretation and understanding depends a changes because you are just looking only one component one part of the organization.

So, this analogy can be given for the organization also for example, who looks at a belly it says it like a wall right and who felt it tusk oh it is like a spear. So, if you look only at specific components, it may not give him idea about the whole organization right. So, there is a need to move what you call from a component model to a more holistic models right.

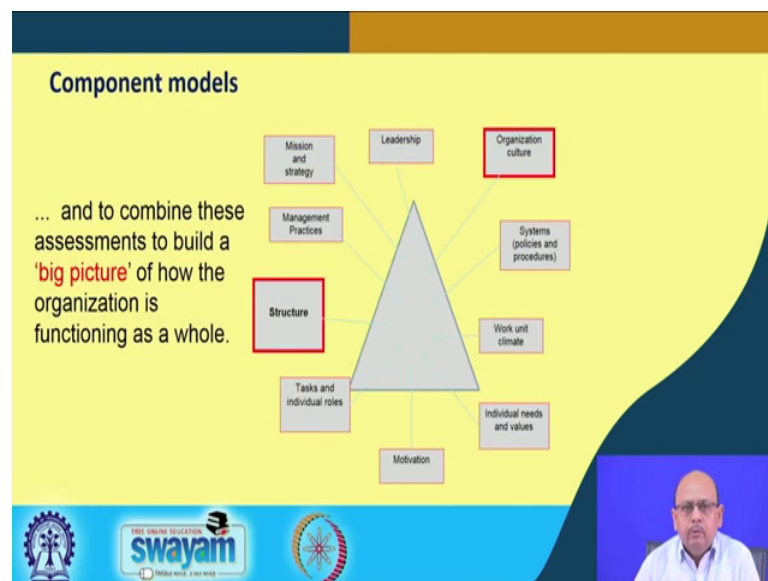
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So, the first approach that we talked about here the leg you start by using component models exam to examine how many different aspects of the organization are working. So, now here you identify that these are the two parts of the organization which are not working well right. So, any component model you will already going look at the other factors whether they working will or not.

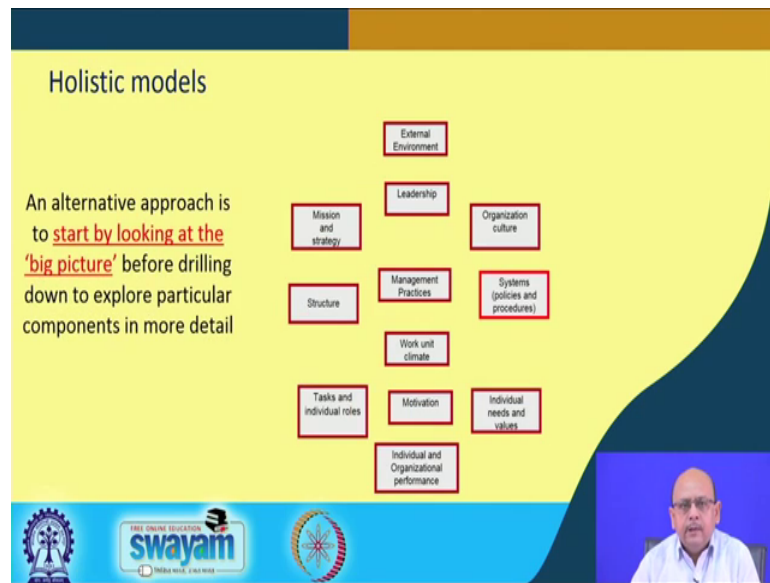
So, you only focus on culture and structure and you try to bring about a change in the organization right. While over look other parts of or other components of the organization, now with we go about using these component model. So, you also need to look at different aspects then only probably you will have better say broad understanding of how the organization is working and what are the various areas which needs to go for a change. And how these are interconnected with each other because interconnectedness is another important factor alright.

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So, moving further say is like this just by identifying this it would be difficult for you to build up the big picture unless you related with all the components right. So, once you have been able to identify the best thing is that you see that how it could be related with other aspects so that you can have a big picture right. So, it is always good to look at the big picture instead of a part of the organization, otherwise you just touch or look at only one part analyze a interpret it and find whether there is a problem or not right.

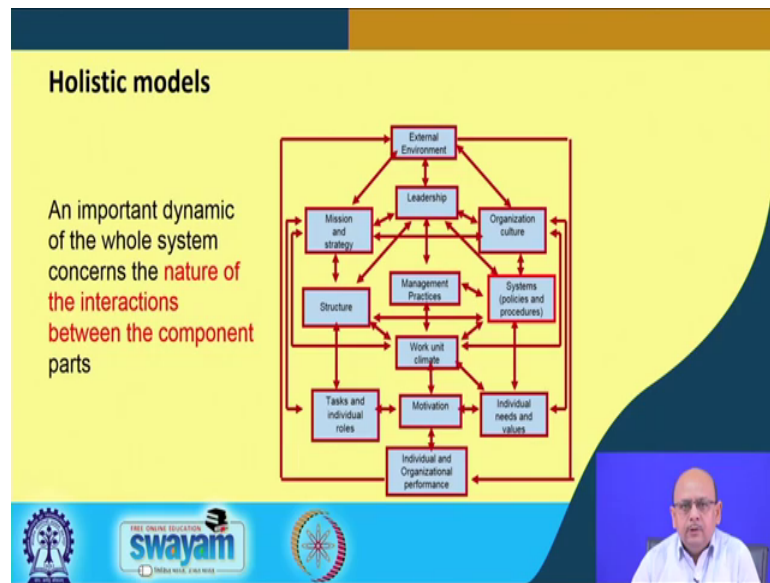
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So, these are some of the drawbacks with the component model and right that is why, we move to a more holistic model and in holistic model which is different in the sense that it does not look only just one part of the organization, but it look looks at each part of the organization right. So, in this approach basically we try to look at the big picture by examining each and every component in detail right. So, that would help us to identify those components, which requires change and then see that how these components are largely interconnected with other components of the organization right.

So, you are looking at the entire elephant and then you will be in a better understand that which part of the elephant is not good which needs replacement. That is so which part of organization is not working or functioning well which needs some kind of change right. So, if you look at this holistic models they provide you better explanation right, more holistic explanation of the entire organization instead of looking at a part of it right.

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Now, moving further to discuss see that what actually happens if you are going to use in the holistic model so what see what is more important here is not only to identify those components, which are not functioning well. But how these components are interacting and related with each other alright.

Starting with external environment right, to the leadership, to the mission and strategy of the organization, to the culture and if you look at it you can see that how many interactions a particular component will have right. For leadership look at it is connected with the external environment, mission and strategy because leaders are going to identify external environment. They are suppose to identify mission and strategy, they are suppose to build up the culture in the organization, they are going to identify what kind of management practices will be there, they are also responsible for building up a structure systems and policies.

So, see this leadership is related to 1, 2, 3, 4, 5, 6 component. So, you find that a leadership is not working and you bring you need to bring a change in the leadership of the organization. It means that that would also need to bring a greater alignment and these 5 factors, which are interacting with this leadership right. So, what is more important is to identify the nature of inter interaction between the component which go for a change right. So, the holistic models are better than what we talk about earlier that is component model right.

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Diagnosing external alignment

Some models focus on diagnosing the quality of an organisations alignment with the external environment.

A good example is SWOT

A diagnostic model for assessing external alignment and identifying what needs to be changed to improve organizational effectiveness

strengths	weaknesses
opportunities	threats

The slide features a yellow background with a dark blue and orange header. It includes a 2x2 grid of colored boxes representing the SWOT model. At the bottom, there are logos for Swamyam and other educational institutions, and a small video inset of a speaker.

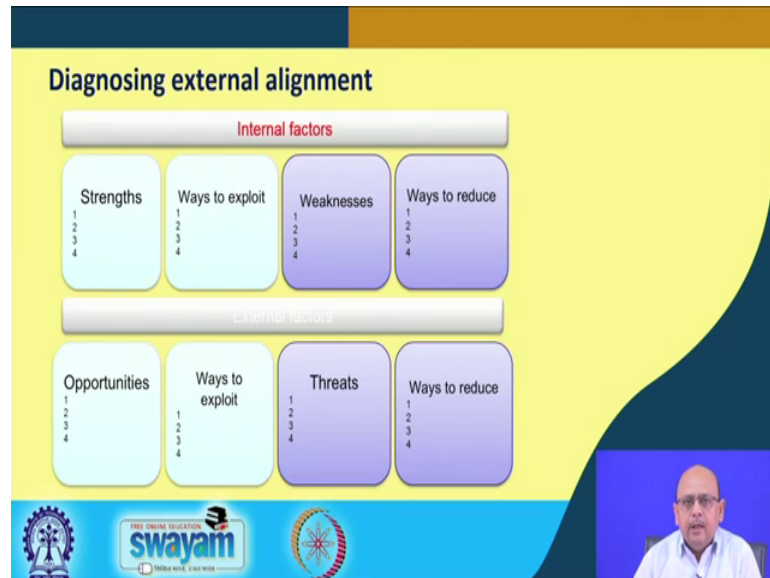
Now, the most important thing as I have discussed earlier also is that any kind of analysis starts with diagnosing the external environment right. While it is important to identify the external environment, but some of the models do not talk about the external environment they only talk about the internal environment right. So, when we go about diagnosing the external environment the idea is that you need to ensure what kind of environment the organization is operating right.

So, what you do basically you do some kind of analysis it say very famous and well known analysis which is done and the area of a strategy which is known as SWOT analysis. So, SWOT analysis basically helps you to identify the strength or the competence of the organization, the capabilities of the organization and also the opportunities where the opportunities for the organization is this in terms of markets, growths, technology and anything. Then what are the weaknesses of the organizations right, this weaknesses could be related to any of the component alright and then who are you competitors, with whom you are going to face threat right.

So, now if you look at the earlier model also sorry this model see external environment is a part of the component. So, it is very very important to align your external environment and accordingly you decide a waste strategy and other things. And that is why you will find the some of these models talk about external environment while some of these models does not talk about the external environment right. So, it is important to assess

the external environment and then identify what needs to be changed right to improve the performance of the organization right..

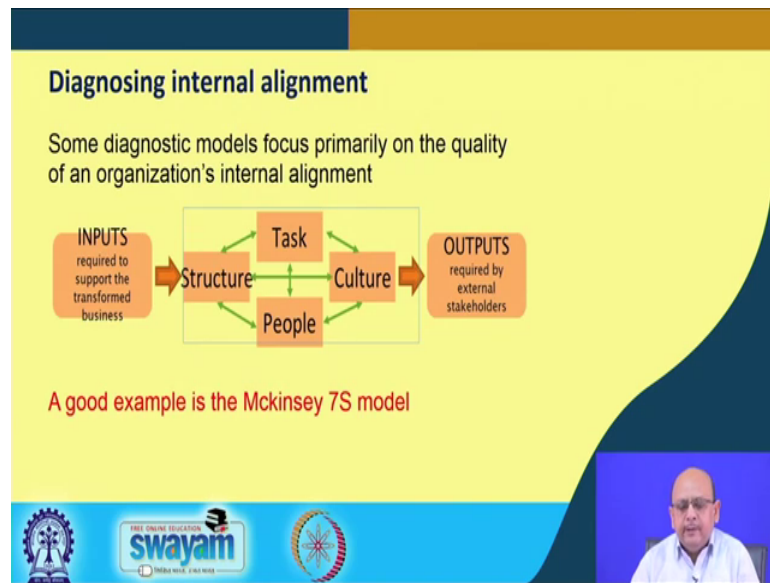
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And similarly not only diagnosing external environment, but you also go about identifying it in detail right like a strength. But a strength how are going to exploit that a strength right because you are going to build up the organization based on your strength for example, the a strength for a own diagnosis its change ins right it is one of the core competencies. So, they are going to exploit this part to build up the organization and then identify the weaknesses what are the weaknesses.

And then you also identify the ways that how you are going to reduce those weaknesses, then world opportunities are available to you, what are the markets where you can grow. Identify that how you are going to capture those markets, then who are your competitors you need to identify them and how you are going to deal these so that the threats is reduce and when you are able to grow and perform well right.

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So, analysis of the external environment is very very important, then coming to the internal alignment. You also need to this is basically shown to ensure that how we are going to align internal environment. Some of the models not only focus on the external environment they also look at the internal environment that how you go for better internal alignment see.

Now these are the inputs see this input is going to help to identify your structure, task, culture and people and then the output right which is required by stakeholders, external stakeholder in terms of product and services. Now when we are talking about this it means based on the environment you are going to identify them and then make sure the, that is the better alignment and then you identify what are the products and services you offering.

One of the best example is the McKinsey 7S model we will talk about that at a little stage, but since here we are talking about the internal alignment we need to ensure that how we go about better alignment of internal structures and factors in the organization right. Moving further so what we have been talking about is internal external environment and based on that we can ensure that how we go about better diagnosis of the factors or the components using both either a component model or holistic model.

What I would suggest that it is always good to go for a more holistic models because the there you are not going to identify a particular factor, but you also see that how this

factor is going to interact and influence other factors right so that your performance is good right. So, with this we are going to close this section.

Thank you very much.