

Unit-1 Managing Change

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- Organizational Change - Introduction,
- Types (Revolutionary & Evolutionary),
- Levels of Change,
- Reasons for change
- Resistance to change
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An organization is an open system, constantly interacting with its environment. Changes in consumer preferences, competition, or government policies necessitate internal adjustments. Changes in any subsystem can trigger system-wide modifications.

1 CHANGE

The term 'change' refers to **any alternation** which occurs in the overall work environment of an organisation.

It is to be emphasized that '**change is the law of nature**'.

Nothing is permanent except change.

Change has the following characteristics:

- (i) Change often results from **the pressure of forces** which are both **outside and inside** the organisation;
- (ii) The **whole organisation** tends to be affected by the change in any part of it; and
- (iii) Change takes place in all parts of the organisation, but at **varying rates** of speed and degrees of **significance**.
- (iv) Change may be **reactive or proactive**. When change is brought about due to the pressure of external forces, it is called reactive change. Proactive change is initiated by the management on its own to increase organisational effectiveness.

The term 'organisational change' refers to the creation of imbalances in the established patterns of a situation.

2 CONCEPT OF ORGANISATIONAL CHANGE

When an organisation operates for an extended period, a balance is established between its technical, human, and structural setup. This balance tends to reach an equilibrium with its environment.

In other words, members of the organisation develop a tentative set of relationships with their environment. They adjust to their job, working conditions, and relationships with colleagues. Change disrupts these adjustments, leading to a fear of having to make new ones. This fear can result in resistance to change. Individuals may feel threatened, and groups might resist change if they perceive their existence is in jeopardy, or if an overall change in the work environment is proposed.

3 FORCES/SOURCES/DETERMINANTS/REASONS FOR CHANGE

Organizations encounter numerous forces driving change, originating both from external sources outside the organization and internal sources within it. Understanding these forces helps managers determine when to consider implementing organizational change. The external and internal forces for change include:

3.1 EXTERNAL FORCES

External forces for change originate outside the organization and have widespread effects, often prompting organizations to reevaluate their core business and production processes. Key external forces include:

1. Demographic Characteristics

Demographic characteristics refer to the composition of the workforce, encompassing gender, age, generation, income, family type, religion, ethnicity, nationality, and more. Organizations must effectively manage diversity to maximize employee contribution and commitment.

2. Technological Advancements

Technological advancements significantly impact both manufacturing and service organizations. Examples include:

- **Robotics and computerized numerical control (CNC)** for metal cutting operations.
- **Computer-aided design (CAD)** for drafting and designing engineering drawings.
- **Computer-integrated manufacturing (CIM)**, integrating product design with planning, control, and operations.
- **Office automation** technologies for information management and communication.

3. Market Changes

The global economy forces companies to adapt their business practices, leading to new partnerships and strategies. Market changes can include:

- Increased competition and the need for high-quality, low-cost products.
- The shift from large conglomerates to lean, agile organizations.
- Market trends emphasizing agility and lean systems for survival.

4. Social and Political Pressures

Social and political events create substantial change, affecting personal values, employee needs, priorities, and motivation. Managers may need to adjust their styles to align with evolving employee values. Political events, such as the collapse of the Berlin Wall and communism in Russia, can open new business opportunities. Organizations often hire lobbyists and consultants to navigate social and political changes.

3.2 INTERNAL FORCES

Internal forces for change arise within the organization, stemming from human resource issues and managerial behavior or decisions. These forces can be subtle, like low morale, or more apparent, like low productivity and conflict.

1. Human Resource Problems/Prospects

Employee perceptions of workplace treatment and the alignment between individual and organizational needs can lead to change. Indicators include:

- Dissatisfaction, absenteeism, and turnover.
- Approaches to job design, realistic job previews, and reducing role conflict, overload, and ambiguity.
- Employee participation and suggestions as drivers for positive change.

2. Managerial Behavior/Decisions

Excessive interpersonal conflict between managers and subordinates, inappropriate leadership behaviors, and inadequate direction or support necessitate change. Solutions may include:

- Interpersonal skills training.
- Reassigning managers or employees to different departments.
- Leadership training to address human resource issues.

3. Nature of Present Employees/Demography of Present Employees

As the nature or demographics of employees change, organizations must adapt leadership styles, motivation systems, and employee engagement practices. Different generations express distinct work values:

- Workers aged 50+ value loyalty to employers.
- Workers in their mid-30s to mid-40s are loyal to themselves.
- The youngest generation prioritizes loyalty to their careers. Adapting to these changes ensures organizational alignment with workforce profiles.

4. Change in Managerial Personnel

Changes in managerial personnel due to promotions, retirements, transfers, or dismissals can drive organizational change. Each new manager brings unique ideas and working styles, altering informal relationships and necessitating adjustments in organizational design, work allocation, delegation of authority, and controls. Significant changes often occur with new top executives, who implement their philosophies and ideas.

4 TYPES OF CHANGE

There are two types of classification of change based on level of change and pace of change.

4.1 PACE OF CHANGE

On the basis of speed of change organisational change can be classified into evolutionary change and revolutionary change.

1. Evolutionary Change

Evolutionary change, also known as incremental change, involves gradual adjustments over time. This type of change is typically continuous, systematic, and aims at improving existing processes, systems, or structures without drastic overhauls. Key characteristics of evolutionary change include:

Characteristics of Evolutionary Change

1. **Gradual Implementation:** Changes are introduced slowly and progressively, allowing time for adaptation.
2. **Continuous Improvement:** Focuses on ongoing refinement and enhancement of processes, often through small, incremental adjustments.
3. **Low Risk:** The slow pace reduces the risk of failure and minimizes disruption to the organization.
4. **Employee Involvement:** Employees are usually more accepting of incremental changes as they can see the benefits over time and adapt gradually.
5. **Sustainability:** Often leads to sustainable improvements because changes are thoroughly integrated into the organizational fabric.

Examples of Evolutionary Change

1. **Process Optimization:** Implementing Lean or Six Sigma methodologies to streamline processes and reduce waste.
2. **Technological Upgrades:** Gradually updating IT systems or software to enhance productivity without major disruptions.
3. **Cultural Shifts:** Slowly shifting organizational culture through continuous training and development programs.
4. **Policy Adjustments:** Incrementally changing policies and procedures to improve compliance and efficiency.

2. Revolutionary Change

Revolutionary change, also known as transformational change, involves rapid and significant shifts that fundamentally alter the organization's operations, structure, or strategy. This type of change is typically large-scale and implemented over a short period, often driven by external pressures or internal crises.

Characteristics of Revolutionary Change

1. **Rapid Implementation:** Changes are executed quickly to respond to urgent needs or capitalize on opportunities.
2. **High Impact:** The changes are profound and can affect multiple aspects of the organization, including its culture, structure, and strategy.
3. **High Risk:** The fast pace and wide scope of change can lead to resistance and operational disruptions.
4. **Top-Down Approach:** Often driven by senior management or external forces, requiring strong leadership and clear vision.
5. **Urgency:** Usually arises from pressing issues such as market disruptions, competitive threats, or financial crises.

Examples of Revolutionary Change

1. **Mergers and Acquisitions:** Combining organizations, which often requires significant restructuring and cultural integration.
2. **Rebranding:** Overhauling the company's brand identity to align with a new strategic direction or market positioning.

3. **Organizational Restructuring:** Major changes in organizational hierarchy, roles, and responsibilities to improve efficiency or address strategic goals.
4. **Digital Transformation:** Rapidly adopting new technologies to stay competitive or innovate business models.
5. **Crisis Management:** Implementing drastic measures to recover from a financial crisis, natural disaster, or reputational damage.

Comparison of Evolutionary and Revolutionary Change

Aspect	Evolutionary Change	Revolutionary Change
Pace	Gradual, slow-paced	Rapid, fast-paced
Scope	Incremental improvements	Fundamental transformations
Risk	Low risk	High risk
Employee Involvement	High, as changes are less disruptive	Low, often top-down and can face resistance
Impact	Limited to specific areas	Wide-ranging impact across the organization
Examples	Process optimization, technological upgrades	Mergers, rebranding, organizational restructuring
Approach	Bottom up and Top Down approaches	top Down approach

4.2 TQM- TOTAL QUALITY MANAGEMENT [EVOLUTIONARY CHANGE]

According to Sashkin and Kiser "TQM is defined as creating an organizational culture committed towards improvement of skills, teamwork, process, product and service quality and customer satisfaction."

- It is deeply embedded in the organisational culture.
- Meet customer's requirement
- Continuous improvement through management process
- Involvement of each and every employee.

Objectives

1. Meeting Customers requirement:

The most effective marketing tool is WOM (Word of Mouth). Positive WOM is only possible through customer loyalty. A satisfied customer is loyal customer. Customer satisfaction is derived with the help of long-term positive relationship that meets customers requirement. Company cannot sustain on the philosophy of "take it or leave it" with the customers

2. Continuous improvement:

Organisation has to continuously improve on every part of the business process. This is only possible when your employees are motivated. Ensure that employees work with a commitment that every time they will deliver goods/ services better than earlier.

3. Organisational Culture:

TQM is only possible through the support and involvement of each and every employee. In order to gain hundred percent involvement there should be a certain degree of trust and openness among employees. Thus the third objective of TQM is to develop organisation culture that has values viz. trust, openness, creativity and learning.

Evolution

It is not a new concept it has been since 1910. There are four stages of TQM

1. Detection and Rectification of defects:

- Started with inspection function to identify defects in the product during the time of production.
- Those products which were found defective were put aside and the defect was noted so that next time it is not repeated.
- By doing these chances to minimized losses due to defects was not available as we could identify defects only when it has occurred.

2. Prevention of Defects

- The second stage of TQM was prevention of defects.
- In 1930s USA realise that identification of defects leaves no room for saving wastage. Identification of defects one can only remove it from the production lot ensure that customer does not receive defective product, however this does not minimise the wastage of the raw material.
- Thus after 1930 the focus of the process shifted towards prevention of defects rather than identifying the defects so that one can minimise wastage this approach was then tagged as "process control"

3. Product Design Improvement

- Process Control wastage but it can't stop errors of product design
- Hence in 1960s Japanese started focusing on product improvement through product design and product planning.

4. Creativity and Innovation

- In 1980's Quality circle were introduced to create a culture of TQM.
- Quality Circles

Elements of TQM

1. Customer Orientation:

The main objective of TQM is to satisfy all the requirements of customer.

These requirements keep on changing with change in time, environment, needs, fashion, situation, etc. thus organisations have to deploy mechanisms to understand the ever-changing requirements of both existing as well as potential customers.

Organisation cannot stop satisfying existing customer and gain potential customer.

2. Continuous improvement

As the customer requirement changes organisations need to adapt quickly. For this new products, new processes, new ways of marketing to stay ahead of competition. For this introduction of technology becomes key ingredient.

Eg. Xerox, Kaizen system in Japan

3. **Employee involvement:**

In order to keep a pace with customer requirement and introduction of new processes, products and technology, employees need to be trained and develop regularly.

This will improve quality and reduce cost. Quality circles is an example of Employee involvement in TQM. TQM is bottoms- up approach and hence lower level employees have to be taken in confidence and motivated to contribute positively. With the philosophy that "Every member must take Quality as their responsibility" TQM can be implemented.

Process of TQM

W.E. Deming developed a PDCA (Plan-Do-Check-Act) cycle

implementation of TQM. Plan-Do-Check-Act

1. **The Four Phases of the PDCA Cycle**

With the PDCA cycle you can solve problems and implement solutions in a rigorous, methodical way. Let's look at each of the four stages in turn:

1. Plan.

First, identify and understand your problem or opportunity. Perhaps the standard of a finished product isn't high enough, or an aspect of your marketing process should be getting better results.

Explore the information available in full. Generate and screen ideas, and develop a robust implementation plan.

Be sure to state your success criteria and make them as measurable as possible. You'll return to them later in the Check stage.

2. Do.

Once you've identified a potential solution, test it safely with a small-scale pilot project. This will show whether your proposed changes achieve the desired outcome – with minimal disruption to the rest of your operation if they don't. For example, you could organize a trial within a department, in a limited geographical area, or with a particular demographic.

As you run the pilot project, gather data to show whether the change has worked or not. You'll use this in the next stage.

3. Check.

Next, analyze your pilot project's results against the expectations that you defined in Step 1, to assess whether your idea was a success.

If it wasn't, return to Step 1. If it was, advance to Step 4.

You may decide to try out more changes, and repeat the Do and Check phases. But if your original plan definitely isn't working, you'll need to return to Step 1.

4. Act.

This is where you implement your solution. But remember that PDCA/PDSA is a loop, not a process with a beginning and end. Your improved process or product becomes the new baseline, but you continue to look for ways to make it even better.

The four stages of the cycle are illustrated in Figure 1, below:

PDCA Model courtesy of The W. Edwards Deming Institute®.

Benefits of TQM

- It brings in quality consciousness in the organization
- greater satisfaction to customers
- helps in creating good image of the company
- better utilization off machine capital and human resource
- waste management gets activated
- employee get more committed towards quality.

Case Study:

[Study into Total Quality Management of McDonalds - Bing video](#)

4.3 BUSINESS PROCESS REENGINEERING (BPR) Revolutionary Change

Definition: Business Process Reengineering (BPR) is a radical approach to redesigning business processes to achieve dramatic improvements in critical performance measures such as cost, quality, service, and speed. It involves rethinking and fundamentally reworking how work is done to better support an organization's mission and reduce costs.

1. Objectives of BPR

- **Improving Efficiency:** Streamline processes to reduce waste and redundancy.
- **Enhancing Quality:** Improve the quality of products or services by eliminating defects and errors.
- **Reducing Costs:** Cut down operational costs by optimizing resource utilization.
- **Increasing Speed:** Accelerate processes to respond faster to market demands.
- **Enhancing Customer Satisfaction:** Improve service delivery and customer experience.

2. Key Principles of BPR

- **Fundamental Rethinking:** Challenge existing assumptions and rethink the way work is done.
- **Radical Redesign:** Focus on radical, not incremental, improvements.
- **Process Focus:** Concentrate on processes rather than tasks or functions.
- **Dramatic Improvement:** Aim for significant, not just marginal, improvements.

3. Implementation Steps of BPR

1. Preparation:

- **Establish Objectives:** Define clear goals and objectives for the reengineering effort.
- **Form a BPR Team:** Assemble a cross-functional team with the necessary skills and knowledge.

2. Process Identification:

- **Identify Key Processes:** Determine which processes are critical to achieving the organization's goals.
 - **Prioritize Processes:** Select processes that have the greatest impact on performance measures.
3. **Process Analysis:**
- **Map Current Processes:** Document existing processes to understand the current state.
 - **Identify Inefficiencies:** Analyze the processes to find bottlenecks, redundancies, and inefficiencies.
4. **Process Redesign:**
- **Develop New Processes:** Design new processes that address identified inefficiencies and meet objectives.
 - **Benchmarking:** Compare processes with best practices in the industry.
5. **Implementation:**
- **Develop Implementation Plan:** Create a detailed plan for rolling out the new processes.
 - **Communicate Changes:** Inform employees about the changes and their benefits.
 - **Train Employees:** Provide training and resources to help employees adapt to new processes.
6. **Evaluation:**
- **Monitor Performance:** Track the performance of new processes against established metrics.
 - **Make Adjustments:** Continuously improve processes based on feedback and performance data.

4. Benefits of BPR

- **Significant Cost Reduction:** Streamlined processes can lead to substantial cost savings.
- **Improved Quality:** Redesigning processes can enhance product or service quality.
- **Faster Response Times:** Optimized processes can reduce cycle times and improve responsiveness.
- **Increased Customer Satisfaction:** Better processes can lead to higher customer satisfaction and loyalty.
- **Enhanced Competitiveness:** Organizations can gain a competitive edge through more efficient and effective operations.

5. Challenges of BPR

- **Resistance to Change:** Employees may resist radical changes to processes and workflows.
- **High Costs:** Implementing BPR can be expensive, requiring significant investment in new technologies and training.
- **Complexity:** Redesigning business processes is complex and requires careful planning and execution.
- **Risk of Failure:** BPR initiatives can fail if not properly managed or if there is insufficient commitment from leadership.

6. Case Study: XYZ Corporation

Background: XYZ Corporation, a manufacturing company, faced declining profits and increased competition. The company decided to undertake a BPR initiative to streamline its operations and reduce costs.

Objectives:

- Reduce production costs by 25%.
- Improve product quality to reduce defect rates by 50%.
- Decrease order processing time from 10 days to 2 days.

Implementation:

1. **Preparation:**

- A BPR team was formed, including representatives from manufacturing, IT, finance, and customer service.
- Clear objectives were established, focusing on cost reduction, quality improvement, and faster order processing.

2. **Process Identification:**

- The team identified key processes, including order processing, production, and quality control.
- Processes were prioritized based on their impact on costs and customer satisfaction.

3. **Process Analysis:**

- Current processes were mapped, revealing several inefficiencies, such as redundant steps and manual data entry.
- Bottlenecks in production and delays in order processing were identified.

4. **Process Redesign:**

- New processes were designed, incorporating automation and eliminating unnecessary steps.
- Benchmarking against industry best practices helped refine the redesign.

5. **Implementation:**

- An implementation plan was developed, outlining the steps for transitioning to new processes.
- Employees were informed about the changes through meetings and newsletters, emphasizing the benefits.
- Training sessions were conducted to help employees adapt to new workflows and technologies.

6. **Evaluation:**

- The performance of the new processes was monitored using key metrics, such as production costs, defect rates, and order processing times.
- Continuous feedback from employees and customers was used to make adjustments and improvements.

Outcome:

- Production costs were reduced by 30%, exceeding the target.
- Defect rates dropped by 55%, improving product quality.
- Order processing time was reduced to 2 days, meeting the target.

5 LEVEL OF CHANGE

Change can occur at individual, group, and organizational levels:

1. Individual Level

Individual level change can be job changes, location moves, or personal development. While it's often thought individual changes don't significantly impact the organization, this isn't true. Major individual changes can affect the group and, consequently, the larger organization.

2. Group Level

Most organizational changes impact the group level due to the group-based organization of most activities. Changes can affect workflows, job design, social systems, influence, status, and communication. Managers must consider group factors when implementing change, as both informal and formal groups can resist change.

3. Organizational Level

Organizational level change affects both individuals and groups, typically involves major programs, and is usually decided by senior management. These changes often require significant planning and occur over long periods. Examples include reorganization of structure and responsibilities, revamping compensation, or major shifts in objectives. This level of change is often referred to as organization development.

5.1 DEFINITION

Change management can be described as a deliberate effort by those in charge of a business to continuously monitor the behavior of uncontrollable forces. They assess the impact and influence of controllable forces and develop suitable strategies and action programs. The goal is to maintain a dynamic balance between controllable and uncontrollable forces.

"The term 'change' refers to any alteration that occurs in an organization's overall work environment. It is often prompted when an organizational system is disturbed by some internal or external force. As a process, 'change' is merely the modification of a system's structure or process. It can be beneficial or detrimental, but the concept is purely descriptive.

"Organizational change is the process of establishing a new equilibrium in the organization that has been altered by external or internal forces."

6 RESISTANCE TO CHANGE

Resistance to change can occur at both the individual and organizational levels. Understanding the nuances and strategies to overcome resistance at each level is essential for successful change management. Here is a detailed note on resistance to change at both levels, including causes, strategies, and examples.

6.1 INDIVIDUAL LEVEL RESISTANCE

Causes of Individual Resistance:

1. **Fear of the Unknown:** Individuals may fear the uncertainty and potential negative impacts of change.
2. **Loss of Control:** Changes can make individuals feel like they are losing control over their work and job roles.
3. **Comfort with Status Quo:** People may prefer the familiarity of the current situation and resist moving out of their comfort zones.
4. **Economic Concerns:** Worries about job security, potential layoffs, or changes in compensation can lead to resistance.
5. **Lack of Understanding:** Insufficient information about the change and its benefits can cause skepticism and resistance.
6. **Disruption of Routines:** Changes can disrupt established workflows and routines, leading to discomfort.
7. **Perceived Negative Impact:** Individuals may believe that the change will negatively affect their job or personal life.

Strategies to Overcome Individual Resistance:

1. **Effective Communication:** Clearly communicate the need for change, its benefits, and the plan. Address concerns and provide regular updates.
 - **Example:** An organization planning to adopt a new software system holds informational sessions and sends regular updates to employees.
2. **Involvement in the Change Process:** Involve employees in planning and implementing the change to give them a sense of ownership.
 - **Example:** A company undergoing a restructuring process forms employee committees to gather input and develop plans.
3. **Training and Support:** Provide training and resources to help employees adapt to the change. Offer support to address their concerns.
 - **Example:** A hospital implementing a new electronic health record system offers comprehensive training sessions for staff.
4. **Building Trust:** Foster a culture of trust by being honest, transparent, and responsive to employees' needs and concerns.
 - **Example:** Management engages in open dialogues with employees, addressing their fears and providing honest answers to their questions.
5. **Providing Incentives:** Offer incentives and rewards to encourage employees to embrace the change.
 - **Example:** A manufacturing company offers performance bonuses to teams that successfully implement new efficiency measures.
6. **Phased Implementation:** Introduce changes gradually to allow employees to adjust and reduce resistance.
 - **Example:** A school district phases in a new curriculum over several academic years, providing time for teachers to adapt.

6.2 ORGANIZATIONAL LEVEL RESISTANCE

Causes of Organizational Resistance:

1. **Structural Inertia:** Organizations have established structures, policies, and cultures that resist change.
2. **Threats to Established Power Structures:** Changes can threaten existing power dynamics and hierarchies within the organization.
3. **Group Norms and Cohesiveness:** Strong group norms and cohesiveness can create resistance to changes that disrupt these norms.
4. **Resource Allocation:** Concerns about the allocation of resources and the potential impact on budgets and priorities can lead to resistance.
5. **Organizational Culture:** A culture that values stability and tradition may resist change initiatives.
6. **Past Failures:** Previous unsuccessful change efforts can create skepticism and resistance to new changes.

Strategies to Overcome Organizational Resistance:

1. **Leadership Commitment:** Strong, visible support from top management can help build trust and reduce resistance.
 - **Example:** The CEO of a corporation regularly communicates progress updates and shows active involvement in the change initiative.
2. **Creating a Sense of Urgency:** Highlight the importance and urgency of the change to motivate employees to support the initiative.
 - **Example:** A retail chain facing declining sales presents data showing the need for a new customer service strategy to remain competitive.
3. **Aligning with Organizational Goals:** Ensure that the change aligns with the organization's strategic goals and values.
 - **Example:** A tech company aligns its shift to Agile methodology with its strategic goal of increasing innovation and flexibility.
4. **Building a Coalition of Support:** Develop a coalition of influential stakeholders to support and advocate for the change.
 - **Example:** A hospital forms a change management team comprising department heads and key influencers to champion a restructuring effort.
5. **Resource Allocation:** Ensure adequate resources are allocated to support the change process.
 - **Example:** A company undergoing digital transformation invests in new technology and training programs to support the transition.
6. **Monitoring and Evaluation:** Continuously monitor the change process and make adjustments as needed to address resistance and challenges.
 - **Example:** An organization implementing a new performance management system regularly solicits feedback and makes necessary adjustments.

EXAMPLES OF OVERCOMING RESISTANCE

1. Case Study: Tech Company Implementing Agile Methodology

- **Individual Level:** Employees were initially resistant to the shift from waterfall to Agile due to fear of the unknown and loss of control. The company held multiple workshops to explain the benefits of Agile and involved employees in customizing Agile practices to fit their specific needs.
- **Organizational Level:** Organizational culture valued stability, and there was resistance from middle management. Top management showed strong commitment to the change, aligning it with the company's strategic goals of increasing innovation and flexibility.

CASE STUDY: HOSPITAL RESTRUCTURING

- **Individual Level:** Staff members feared job loss and disruption of routines. Regular town hall meetings and newsletters kept staff informed about the changes and their benefits. Comprehensive training and support were provided.
- **Organizational Level:** The hospital's strong group norms and established power structures resisted change. Cross-functional teams were formed to gather input and develop restructuring plans. Performance bonuses were offered for successful implementation of new procedures.

7 OVERCOMING RESISTANCE TO CHANGE

7.1 STRATEGIES TO OVERCOME RESISTANCE TO CHANGE

- 1. Effective Communication:** Communicate the need for change, the benefits, and the plan clearly and consistently. Use multiple channels to reach all employees and address their concerns.
Example: A company planning to implement new technology holds town hall meetings, sends detailed emails, and creates an internal FAQ webpage to keep employees informed.
- 2. Employee Involvement:** Involve employees in the change process. Seek their input and feedback, and involve them in planning and implementation.
Example: A hospital undergoing a restructuring process forms cross-functional teams to gather input and develop implementation plans.
- 3. Leadership Support:** Strong, visible support from top management can help build trust and reduce resistance.
Example: The CEO of a corporation regularly communicates progress updates and shows active involvement in the change initiative.
- 4. Training and Support:** Provide training and resources to help employees adapt to the change. Offer support to address their concerns and enhance their skills.
Example: A company introducing a new software system offers comprehensive training sessions and sets up a helpdesk for ongoing support.

5. **Building Trust:** Foster a culture of trust by being honest, transparent, and responsive to employees' needs and concerns.
Example: Management engages in open dialogues with employees, addressing their fears and providing honest answers to their questions.
6. **Creating a Sense of Urgency:** Highlight the importance and urgency of the change to motivate employees to support the initiative.
Example: A retail chain facing declining sales presents data showing the need for a new customer service strategy to remain competitive.
7. **Providing Incentives:** Offer incentives and rewards to encourage employees to embrace the change.
Example: A manufacturing company offers performance bonuses to teams that successfully implement new efficiency measures.
8. **Implementing Change Gradually:** Introduce changes in stages to allow employees to adjust and reduce resistance.
Example: A school district phases in a new curriculum over several academic years, providing time for teachers to adapt.
9. **Addressing Personal Impacts:** Understand and address the personal impacts of change on employees. Show empathy and provide support where needed.
Example: A company undergoing a merger offers counseling services and career transition support to affected employees.
10. **Celebrating Successes:** Recognize and celebrate milestones and successes throughout the change process to build momentum and morale.
Example: A nonprofit organization holds regular celebrations to acknowledge achievements and progress in a major restructuring effort.

8 APPROACHES/MODELS TO MANAGING ORGANISATIONAL CHANGE

For most people, change is not easy. Even when we know things could be better, we get a certain comfort from a familiar setting; familiar people and familiar ways of doing things. Because of this, change is most likely to succeed when managers follow a well-thought-out path to implement it.

8.1 LEWIN'S THREE STAGE MODEL

Kurt Lewin a social psychologist, noted for his work in organisational theory, developed a model of the change process that has stood the test of time and continues to influence the way organisations manage planned change. Lewin's model is based on the idea of force field analysis. Lewin proposed the three-step model.

Steps in the Change Process

1. Unfreezing:

The process begins with unfreezing, which is a crucial first hurdle in the change process. 'Unfreezing' means melting resistance to change; the people who will be affected by the change come to accept the need for it. People tend to resist change because it increases anxiety and stress, and it may threaten their self-interests.

Unfreezing involves encouraging individuals to discard old behaviours by shaking up the equilibrium state that maintains the status quo. Unfreezing on the part of individuals is an acceptance that change needs to occur. Resistance to change “melts” when events or information—customer complaints, mounting losses, an accident—causes people to conclude that the status quo is unacceptable and that change is worth the effort. In essence, individuals surrender by allowing the boundaries of their status quo to be opened in preparation for change.

2. Change or moving:

If unfreezing succeeds, people want to make a change, but they still need to see a path to a better state. In the moving stage, new attitudes, values and behaviours are substituted for old ones. Organisations accomplish moving by initiating new options and explaining the rationale for the change, as well as by providing training to help employees develop the new skills needed.

The transformation stage requires altering one or more characteristics of the work setting:

- (a) The structure and systems of the organisation;
- (b) Social factors – characteristics of employees, the way they interact, the organisational culture;
- (c) The organisation’s technology and/or
- (d) The physical setting.

The implication is that changes in the work setting will lead to changes in individual behaviour, which in turn will improve the organisation’s outcomes.

3. Refreezing:

For the change to endure, it must be reinforced as part of a new system. Lewin calls this step ‘refreezing’. Refreezing is the final step in the change process. In this step, new attitudes, values and behaviours are established as the new status quo. In some cases, the people affected by the change will clearly benefit from it. The resulting benefits will themselves reinforce the change. In other cases, the manager needs to take an active role in reinforcing the change. The new ways of operating should be cemented and reinforced. Managers should ensure that the organisational culture and formal reward system encourage the new behaviours and avoid rewarding the old ways of operating.



Management Theory and Practices

Mcom Part-I semester 2

VEER NARMAD SOUTH GUJARAT UNIVERSITY, SURAT
M.COM.PART-1
SEMESTER-II

MANAGEMENT THEORY & PRACTICE

(SYLLABUS EFFECTIVE FROM YEAR 2020-2021 AND ONWARDS)

UNIT: 1 MANAGING CHANGE (15%)

The Basic Change Process, Resistance to Change (Individual and Organizational)

UNIT: 2 BUILDING EFFECTIVE TEAMS (15%)

Team and Network, Internal and External Dynamics.

UNIT: 3 CONFLICT MANAGEMENT (30%)

Nature of Conflict, Changing views of Conflict Functional and Dysfunctional Conflict, Conflict Process, Conflict Levels, Transactional Analysis, Conflict Resolutions, Management Implications.

UNIT: 4 INTRODUCTION TO FOLLOWING CONCEPTS (30%)

Core Competence, Total Quality Management, Empowerment, Business Process Re-engineering(BRP), Enterprise Resource Planning (ERP), Cyber cope, Value Stream Management, Vision & Mission.

UNIT: 5 CASE STUDY (Cases are to be framed from the above mentioned topics) (10%)

2/20
05-8-2020

2020/2021
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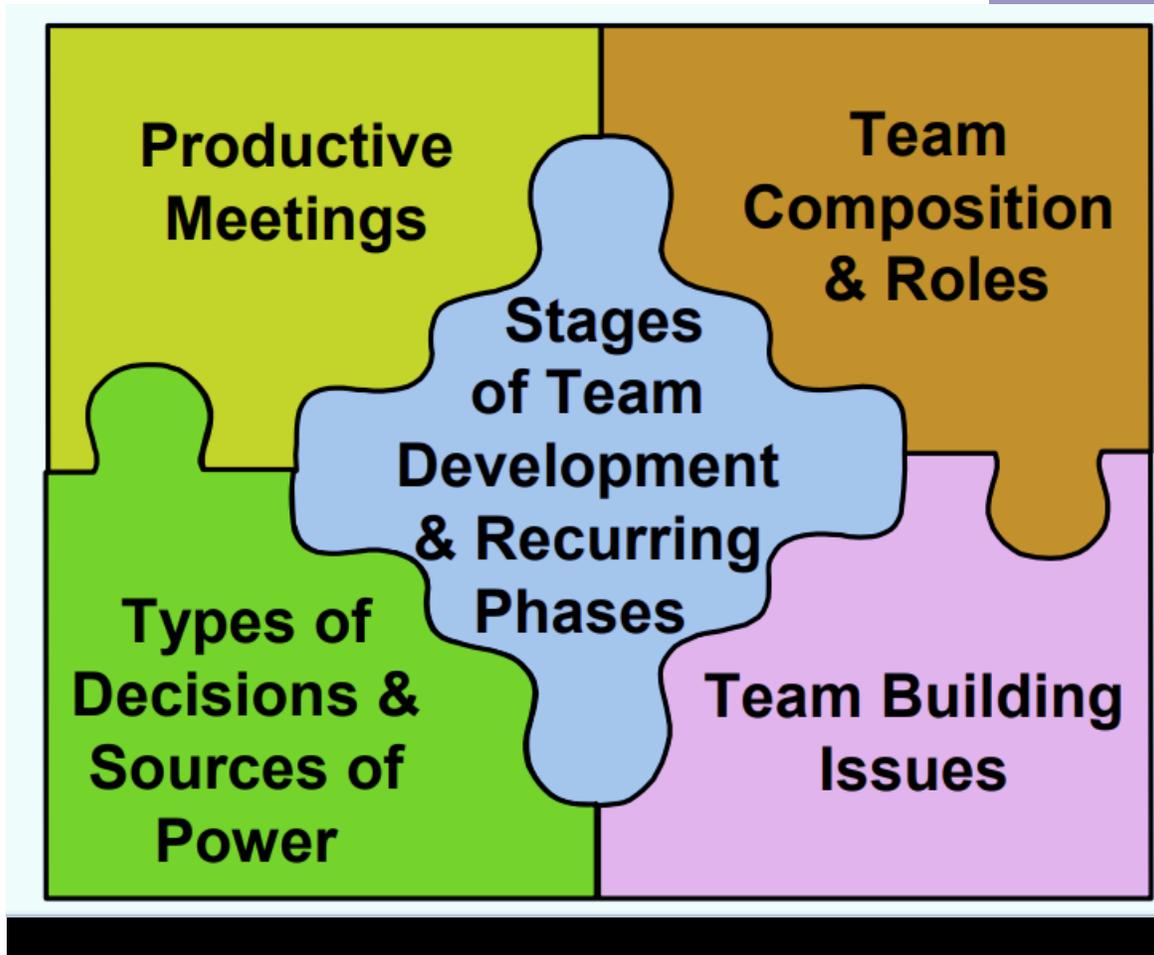
Unit 1 Managing Change

- The Basic Change process
- Resistance to change

Unit 2 Building Effective Teams

- Teams and Network
- Internal External Dynamics

Unit 2 Building Effective Team



1. Definition of Team
2. Difference between Team and Group
3. Team Dynamics
 1. Internal:
 - a. Stages of team development
 - b. Team Composition and Roles
 - c. Team Building Issues
 - d. Types of Decision and sources of power
 - e. Productivity Meetings
 2. External:
4. Networks

Definitions

GROUP

- A group can be defined as two or more interacting and interdependent individuals who come together to achieve particular objectives.

TEAM

- Team (or a work team) is a group of people **with complementary skills** who work together to achieve a specific goal. Members of a working group work independently and meet primarily to share information.

Difference between Group and Team

Groups	Teams	Implications
<ul style="list-style-type: none"> Individual accountability 	<ul style="list-style-type: none"> Individual and mutual accountability 	Don't hold group members accountable for other people's work (unless you want to demotivate them). Do hold team members accountable for team outputs
<ul style="list-style-type: none"> Occasionally gather together 	<ul style="list-style-type: none"> Frequently come together 	You need to design the right frequency and length of gatherings (physical or virtual). It's unlikely that this will just 'happen' correctly.
<ul style="list-style-type: none"> Getting together is usually about swapping perspectives and sharing information about their wider working environment 	<ul style="list-style-type: none"> Getting together is usually for discussion with a view to decision making, problem solving, and planning 	The agenda (what is talked about) and the process (how information is shared and decisions are made when together) are crucial to getting it right.
<ul style="list-style-type: none"> Information-flows are determined by workflow design and outputs 	<ul style="list-style-type: none"> Information-flows contain data about factors influencing team performance as well as workflow and outputs 	Group information flows have a critical impact on performance and need to be as efficient and effective as possible. Team information flows need to be 'richer', allowing for greater variety of content and channels of communication.
<ul style="list-style-type: none"> Focus on individual goals 	<ul style="list-style-type: none"> Focus on shared goals 	Goals for group members need to be aligned with both the organisation's needs and the needs of the individual. Goals for team members should also reflect people's need to achieve more than they can do on their own.
<ul style="list-style-type: none"> Produce individual outputs 	<ul style="list-style-type: none"> Produce collective outputs 	This is the crucial deciding factor for whether you need a group or a team structure – see separate heading in the body of this article.
<ul style="list-style-type: none"> Purpose, goals and approach to work is shaped by a manager 	<ul style="list-style-type: none"> Purpose, goals and approach to work is shaped by a team leader, in collaboration with team members 	I think the big thing here is not to expect managers who supervise a work <i>group</i> to behave like a team leader. And conversely, to make sure that if you have or need a team approach, that they are <i>led</i> by someone equipped to do so, not just <i>managed</i> .
<ul style="list-style-type: none"> Concern with one's own outcome and challenges 	<ul style="list-style-type: none"> Concern with the outcomes and challenges the team faces 	Some environments can produce examples of either (a) groups of individuals not caring about anything other than themselves or (b) inward-focussed teams which come to regard the team itself as more important than the organisation. These are natural tendencies and need to be balanced using the factors described above.

Team Dynamics

A. Internal:

1. Stages of team development & Recuring Phases
2. Team Composition and Roles
3. Team Building Issues
4. Types of Decision and sources of power
5. Productivity Meetings

B. External:

1.1 Stages of Team Development

- Stages of Team Development (adapted from Forsyth, 1990) Teams, like individuals, pass through predictable, sequential stages over time. Tuckman (1965) labeled the stages of team development as forming, storming, norming, performing, and adjourning.
- **1. Forming (the orientation stage)**
 - Members of newly formed teams often feel anxious and uncomfortable.
 - They must interact with other individuals whom they do not know well and begin to work on tasks which they may not yet completely understand.
 - Their roles in the team and the procedures for interaction may be unclear as well.
 - As members become better acquainted, some of the tension may dissipate.
 - Members will begin to become more comfortable with their roles.

1.1 Stages of Team Development

▪ 2. Storming (the conflict stage)

- The polite interactions of the orientation stage may soon be replaced by conflict.
- False conflicts occur when members misunderstand or misinterpret each others behaviors.
- Contingent conflicts develop over procedural or situational factors (such as meeting times, places, or formats).
- These two types of conflict are relatively easy to resolve, whereas escalating conflicts, a third variety, may cause more serious problems for the team.
- Escalating conflicts may begin as simple disagreements which then lead into the expression of more fundamental differences of opinion.
- Such conflicts may be characterized by venting personal hostilities and the expression of long suppressed emotions or ideas.
- Although conflict may damage or destroy a team, most researchers agree that conflict is a natural consequence of team membership, and that it may, in fact, strengthen the team as the members learn to accept and constructively resolve their differences.

1.1 Stages of Team Development

▪ 3. Norming (the cohesion stage)

- During the third stage, team conflict is replaced by a feeling of cohesiveness.
- Teams experience a sense of unity or team identity.
- Membership stability also characterizes this stage.
- Members are highly involved and turnover is low.
- An increase in member satisfaction also happens at this time.
- Not only are members pleased with the team, but they themselves may experience higher self esteem and lower anxiety as a result of their participation in the team.
- The internal dynamics of cohesive teams change as well.
- Individual members are more likely to accept or be persuaded by team norms.
- One negative aspect of this is that, in some teams, dissent may not be tolerated during this stage.

1.1 Stages of Team Development

■ 4. Performing (the task-performance stage)

- High productivity is most likely when teams have been together for some time.
- Whether the focus of the team is task oriented or therapeutic, effective performance occurs late in the developmental life of the team.
- Although, as a rule, non-cohesive teams are less productive than cohesive teams, not all cohesive teams are productive.
- Some cohesive teams may have strong norms which encourage low productivity

1.1 Stages of Team Development

▪ 5. Adjourning (the dissolution stage)

- Teams may adjourn spontaneously or by design.
- Planned dissolution occurs when the team has completed its task or exhausted its resources.
- Spontaneous dissolution occurs when members are unable to resolve conflicts, its members grow dissatisfied and depart, or when repeated failure makes the team unable to continue.
- Either type of dissolution may be stressful. Members of successful teams may not want to end, and when the dissolution is unexpected, members may experience a great deal of conflict or anxiety.

Table Charting the Five Stages of Team Development

STAGE	MAJOR PROCESSES	CHARACTERISTICS
1. Orientation (forming)	Exchange of Information; task exploration; identification of commonalities	Tentative interactions; polite discourse; concern over ambiguity; self-discourse
2. Conflict (storming)	Disagreement over procedures; expression of dissatisfaction; emotional responding; resistance	Criticism of ideas; poor attendance; hostility; polarization and coalition forming
3. Cohesion (norming)	Growth of cohesiveness and unity; establishment of roles, standards, and relationships	Agreement on procedures; reduction in role ambiguity; increased "we feeling"
4. Performance (performing)	Goal achievement; high task orientation; emphasis on performance and production	Decision making; problem solving; mutual cooperation
5. Dissolution (adjourning)	Termination of roles; completion of tasks; reduction of dependency	Disintegration and withdrawal; increased independence, emotionality, and regret

Team Dynamics

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B. External:

1.2 Recurring Phases

- As teams perform, even those that have reached the performing stage in Tuckman's (1965) model of team development, they must focus on both the **task and team maintenance** in order to be highly productive.
- When a team directs attention at its primary task, it is almost inevitable that **fatigue, tension, and conflict** will develop.
- Fatigue will set in if the task is **demanding, or boredom** will develop if it is too easy.
- Tension and conflict will develop when alternative approaches to task performance are suggested, or when **alternative solutions** to a team problem are put forward and discussed.
- As these products of a task orientation develop and increase, team productivity suffers. It is then important for the team to shift to a **team maintenance orientation**. This is accomplished by setting the task aside and focusing on the relationships between members, resting, reducing tension, and resolving interpersonal conflicts.

1.2 Recurring Phases

- In many teams there is a "**rush to performance**" in which the stages of team development are side-stepped or truncated.
- It is important to note that these stages of team development provide team members with the skills required during team maintenance activities.
- It is also important that members acknowledge the need to take time away from the task to deal with team maintenance issues.
- Two separate **leadership roles** may develop within a team, one person who directs task activities, and another who is the team maintenance specialist.

1.2 Recurring Phases

- At various points in a team's history, there may be a need for **team maintenance** requiring various levels of intervention.
- There **are three levels of intervention**:
 - 1. Prevention:**
 - set the teams up for success
 - 2. Mild Intervention:**
 - impersonal, group time
 - private, non-meeting time conversation
 - 3. Strong Intervention**
 - private, non-meeting time confrontation
 - personal, group time

1.2 Recurring Phases

SOME FUNCTIONS NECESSARY FOR **TASK PERFORMANCE** ARE

- Analyzing the problem or task structure
- Suggesting solutions
- Asking for information
- Summarizing
- Delegating
- Refocusing team on task
- Pushing for a team decision

SOME FUNCTIONS NECESSARY FOR **TEAM MAINTENANCE** ARE

- Telling a joke
- Mediating a conflict between team members
- Encouraging all to participate
- Showing approval
- Suggesting a break from work
- Reminding members of norms for cooperation
- Encouraging and modeling positive affect for team members

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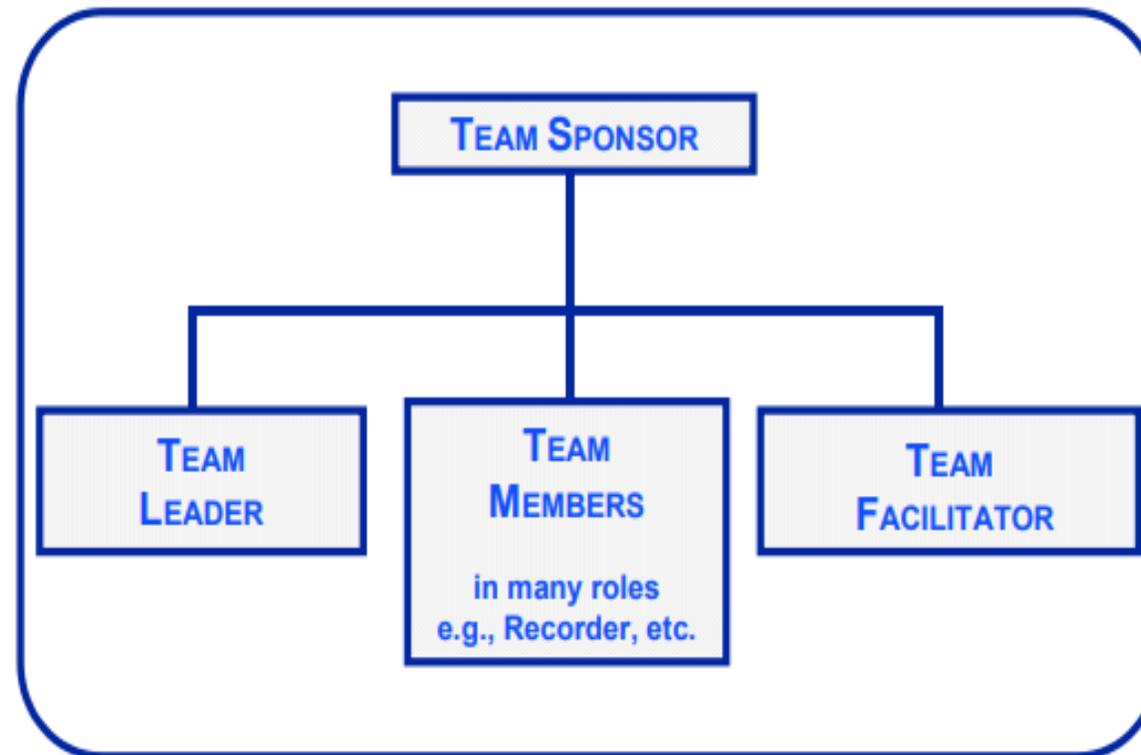
2. Team Composition and Roles

- It is essential that **the right people** be assigned to a team.
- Each person should be selected based on his or her **knowledge and expertise** as well as other potential factors.
- For example, in many top notch firms viz. Google, IBM, Microsoft gender and ethnic diversity and geographic location are also important considerations when assigning team members.
- In addition to selecting the appropriate people, there are also key roles that are essential to the overall team's success.
- **Key roles include:** sponsor, leader, facilitator, member, gatekeeper, recorder, timekeeper, and devil's advocate.

2. Team Composition and Roles

- **Key roles include:** sponsor, leader, facilitator, member, gatekeeper, recorder, timekeeper, and devil's advocate.

Team Organizational Structure



2. Team Composition and Roles

1. Sponsor:

- The sponsor **oversees and supports** the activities of the project teams.
- Typically, the sponsor is the manager (or instructor) who **chose the projects** and **appointed** the teams; however, other people may be involved.
- Sponsors must have a **stake** in the chosen process; authority to make changes in the process under study; and clout (power and influence over others) and courage.
- Sponsors **do not conduct** the actual project; they guide the efforts of the project team. They appoint the project team and together with the team leader determine the project's boundaries.
- They make sure that the project team has whatever reasonable resources it needs to be successful.
- Sponsors must adjust **workloads** to make time for the project; team members must not take on the project work in addition to their normal workload.

2. Team Composition and Roles

1. Sponsor:

- The duties of the sponsor occur in two phases:
- 1. **Before the project the sponsor should:**
 - Identify the project to be studied.
 - Determine any boundaries or constraints.
 - Select the project team.
 - Assign the facilitator (if appropriate).
- 2. **During the project, the sponsor should:**
 - Meet regularly with the project team leader.
 - Develop and improve systems that allow team members to bring about change.
 - When necessary in the workplace, "run interference" for the project team, representing its interests to the rest of the organization.
 - Insures that changes made by the team are evaluated; implements changes the project team is not authorized to make (in the workplace).

The responsibilities of the sponsor are not finished until these changes are introduced, the improvements accomplished, or the new methods systematized and the project officially completed

2. Team Composition and Roles

2. Team Leader:

- The team **leader manages the team**: calling and, if necessary, facilitating meetings, handling or assigning administrative details, organizing all team activities, and overseeing preparations for reports and presentations.
- The team leader should be interested in **solving the problems** that prompted the project, and be reasonably skilled at working with individuals and groups.
- Ultimately it is the leader's responsibility to **create and maintain channels** that enable team members to do their work.
- Team leaders **can be appointed** by the sponsor or **selected** by the team itself. If the team leader is a supervisor or manager in the project area of the workplace, he or she must take extra precautions to avoid dominating the group during meetings.
- The leader **leaves rank outside** the meeting room, facilitating discussions and actively participating but as an equal member of the team.

2. Team Composition and Roles

2. Team Leader:

- The team leader:
 - Is the contact **point for communication** between the team and the rest of the organization, including the sponsor.
 - Is the **official keeper** of the team records including: copies of correspondence; records of meetings and presentations; meeting minutes and agendas; and charts, graphs, and other data related to the project.
 - Is a **full-fledged team member**. As such, the team leader's duties also include attending meetings, carrying out assignments between meetings, and generally sharing in the team's work.
 - **Assists the team** with immediately implementing changes that are within the bounds of the team. Changes beyond these bounds must be referred to the sponsor or other appropriate level of management.

2. Team Composition and Roles

2. Team Leader:

- Characteristics of a **Good Team Leader**
 - Is energetic
 - Is skilled at resolving conflict
 - Is well organized
 - Has experience as a group leader
 - Is respected by group members
 - Is reliable
 - Is charismatic
 - Is intelligent
 - Is creative
 - Possesses a sense of humor
 - Is effective in achieving results

2. Team Composition and Roles

3. Facilitator:

- The ideal facilitator has a combination of people, technical, and training skills.
- In the workplace, facilitators should be chosen from outside the process area being studied so that they are neutral to the project.
- Facilitators **attend team** meetings but are neither leaders nor team members.
- They are "**outsiders**" to the team, and maintain a neutral position.
- One of their most important jobs arising from this **neutrality** is to observe the team's progress, evaluate how the team functions, and use these observations to help the team improve its process (how members interact both inside and outside of meetings).

2. Team Composition and Roles

3. Facilitator:

- Focuses on the **team's process** more than its product; is concerned more with how decisions are made rather than what decisions are reached.
- Works with the team leader between meetings to plan for upcoming meetings.
- Continually develops personal skills in facilitating, group processes, and planning. Learns a variety of techniques to control digressive, difficult, or dominating participants, to encourage reluctant participants, and to resolve conflict among participants. Learns when and how to employ these interventions and how to teach such skills to team members.
- Helps project teams design and rehearse management presentations

2. Team Composition and Roles

3. Facilitator:

- The facilitator plays an important role in a team. It is this person's responsibilities to ensure that the process runs smoothly. In many companies this role is assigned to a person who may not be familiar with or have a stake in the outcome (the product) of the process. Then the facilitator is only interested in the process. Some organizations do not provide an unbiased facilitator for each team, in which case a regular team member must act as facilitator. However, it is sometimes difficult to both monitor the process and participate in it. In classes (e.g., design courses) this role is often assumed by the instructor, at least for the "meetings" that take place in her/his presence. Katzenbach and Smith (The Wisdom of Teams) state that although a true facilitator is often needed to get a team started or to get a "stuck" team moving again, most often a team member can offer effective facilitation.

2. Team Composition and Roles

4. Team Member:

- Team members are the **rest of the people** involved in the project.
- Not everyone who could contribute something worthwhile need be on the team; project team members can always consult with experts or other staff as the project unfolds.
- Team members are **appointed by the sponsor**.
- In the workplace team members are usually people who work closely with some aspect of the process under study; often representing different stages of the process and groups likely to be affected by the project.
- They can be of various ranks, professions, trades, classifications, shifts or work areas (if the project cuts across division boundaries, so should team membership).

2. Team Composition and Roles

- **4. Team Member:**
- Should remember that management has indicated their support for the project by setting up the project team. Therefore, team members should consider their participation as a priority responsibility, not an intrusion on their real jobs.
- Are responsible for contributing as fully to the project as possible, sharing their knowledge and expertise, participating in all meetings and discussions, even on topics outside their areas.
- Carry out their assignments between meetings: interviewing other employees or customers, observing processes, gathering data, writing reports, and so on. These tasks will be selected and planned at the meetings.
- Should be open minded about others' ideas, share information, and contribute constructively to the team process.

2. Team Composition and Roles

4. Team Member:

Characteristics of a Good Team Member

- ✓ Works for consensus on decisions
- ✓ Shares openly and authentically with others regarding personal feelings, opinions, thoughts, and perceptions about problems and conditions
- ✓ Involves others in the decision-making process
- ✓ Trusts, supports, and has genuine concern for other team members.
- ✓ "Owns" problems rather than blaming them on others
- ✓ When listening, attempts to hear and interpret communication from other's points of view
- ✓ Influences others by involving them in the issue(s)
- ✓ Encourages the development of other team members
- ✓ Respects and is tolerant of individual differences
- ✓ Acknowledges and works through conflict openly
- ✓ Considers and uses new ideas and suggestions from others
- ✓ Encourages feedback on own behavior
- ✓ Understands and is committed to team objectives.
- ✓ Does not engage in win/lose activities with other team members
- ✓ Has skills in understanding what's going on in the group

Adapted from McNeill, Bellamy & Burrows, Introduction to Engineering Design, 2000

2. Team Composition and Roles

5. Miscellaneous Roles

- There are a number of common cooperative learning roles that work well for teams in almost any situation.
- The roles should rotate with time.
- Assign as many as needed to cover all the members of the team.
- These are listed here in the order of decreasing importance to the team.

1. Recorder:

The recorder is the team member who is responsible for assuring that the process(es) being used by the group is documented. This includes writing down all the important points of a discussion and preparing the minutes of a meeting. The recorder is also responsible for preparing slides and reports which the team needs.

2. Team Composition and Roles

5. Miscellaneous Roles

2. Time Keeper: The time keeper has the responsibility of keeping the team moving so that the team finishes the task at hand.

3. Encourager: The encourager has the task of giving encouragement to all the other team members. When a team member makes a contribution, the encourager can comment “good idea” or “nice thought”, etc.

4 Devil’s Advocate: The devil’s advocate takes a position opposite to that held by the team to ensure that all sides of an issue are considered.

5. Gatekeeper:

The gatekeeper (a role sometimes taken by the facilitator or team leader) has the responsibility of maintaining a balanced level of participation for all the members. The gatekeeper will encourage the silent members and try to hold back the verbose, dominant members. A team functions when all members ideas and thoughts are heard; the gatekeeper helps ensure this.

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B. External:

3. Team Building Issue

- **Five** Issues to be Considered in Team Building
- Team building exercises are very important in the development of **task-oriented** teams that will work together on a complex project for an extended period of time.
- Experiences designed to facilitate team development should be focused on some, if not all, of the following five issues:
- **1. Interdependence** Each team member's outcomes are determined, at least in part, by the actions of the other members. The structure of the team task should be such that it requires cooperative interdependence. Functioning independently of other team members, or competing with them, will lead to less than optimal outcomes for the entire team. The team building task should also have a cooperative interdependent structure.
- Tasks that require the successful performance of sub tasks by all team members are called divisible and conjunctive tasks. The team building exercise should be structured such that the team members become aware of, and experience, their interdependence.

3. Team Building Issue

- **2. Goal Specification**

- It is very important for team members to have common goals for team achievement; in addition, team members must communicate clearly about individual goals they may have. Some team building sessions consist entirely of goal clarification (specification) exercises. Shared goals is one of the definitional properties of the concept "team". A simple, but useful, team building exercise is to assign a newly formed team the task of producing a mission and goals statement.

- **3. Cohesiveness**

- Teams are cohesive to the extent that membership in them is positively valued; members are drawn toward the team. Task oriented teams involve both social cohesiveness and task cohesiveness.

3. Team Building Issue

- Social cohesiveness refers to the bonds of interpersonal attraction that link team members. Although a high level of social cohesiveness may make team life more pleasant, it is not highly related to team performance. Nevertheless, the patterns of interpersonal attraction within a team are a very prominent concern. Team building exercises that have a component of fun or play are useful in encouraging attraction bonds to develop. Task cohesiveness refers to the way in which skills and abilities of the team members mesh to allow effective performance. Exercises that require the application of the skills that will be necessary for completion of the team assignment, but require them in a less demanding situation, allow the team members to assess one another's talents. Such experiences can lead to consideration of the next issue, the development of team member's roles and of the norms that govern role enactment

3. Team Building Issue

▪ 4. Roles and Norms

- All teams develop a set of roles and norms over time. In task oriented teams, it is essential that the role structure enables the team to cope effectively with the requirements of the task. When the task is divisible and conjunctive (i.e., divisible into subtasks), as are most of the important team tasks, the assignment of roles to members who can perform them effectively is essential. Active consideration of the role structure can be an important part of a team building exercise. Task roles may be rotated so that all team members experience, and learn from, all roles. It is important that the norms governing the assignment of roles is understood and accepted by team members. Norms are the rules governing the behavior of team members, and include the rewards for behaving in accordance with these rules (or normative requirements), as well as the sanctions for norm violations. Norms will develop in a team, whether or not they are actively discussed. There are common norms that govern most teams; however, a team building assignment in which those common norms, as well as some that are specific to a team, are discussed and accepted is useful

3. Team Building Issue

- **5. Communication**

- Effective interpersonal communication is vital to the smooth functioning of any task team. There are many ways of facilitating the learning of effective communication skills. Active listening exercises, practice in giving and receiving feedback, practice in checking for comprehension of verbal messages, are all aimed at developing communication skills. It is also important for a team to develop an effective communication network; who communicates to whom; is there anybody "out of the loop?" Norms will develop governing communication. Do those norms encourage everyone to participate, or do they allow one or two dominant members to claim all the "air time?" Team building exercises can focus on skill development, network design, and norms, but even when the exercise is focused on another issue, communication is happening. Watch it! Shape it!

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B. External:

4. Types of Decision and Sources of Power

- Six Types of Team Decisions
- As a team works at a task, or at team maintenance functions, decisions must be made.
- The quality of team decision making, and the extent to which a decision is accepted and implemented by team members, is greatly affected by the decision making process.
- **The six most common team decision making patterns are :**
- **1. Unilateral/Authoritarian**
- One person makes the decision and imposes it upon the team. Often, there is very little input from team members, and acceptance/commitment is low.
- **2. Handclasp**
- Two team members make a decision and impose it upon the team. This pattern sometimes looks participatory, but it still involves little input from the other members, who will have a low level of commitment to the decision.

4. Types of Decision and Sources of Power

3 Minority

- Several members, who are in minority, make a decision and impose it upon the majority, who have been disenfranchised (deprived of their rights or privilege). In the hands of skilled practitioners, this may appear to be participatory decision making, but it is only a handclasp among a few members. Decision quality suffers because of the lack of input from the majority, and commitment to the decision is low among those outside the minority.

4. Majority

- This is the popular, "democratic" default option. When a team is unable to resolve a conflict, there is almost always a suggestion to "take a vote, majority wins." Majority rule has the illusion of fairness, but it cuts off discussion, thereby reducing decision quality. Furthermore there is no commitment to the decision from the losing minority. The "loyal opposition" is often a myth. Super-majorities of 2/3 or 3/4 do not solve the problems associated with voting. Unanimity Solves the problem of commitment, but is very cumbersome because now everyone has a veto. The U. N. Security Council is a classic example.

4. Types of Decision and Sources of Power

5. Consensus:

- Consensus can be defined as an agreed upon decision by all team members that reflects full exploration of a decision issue and does not compromise any strong convictions or needs. Consensus is difficult to achieve, but results in the best decision quality and the highest level of commitment to the team decision.
- A consensus decision often becomes new policy
- The search for consensus decisions is an important facet of teams.
- Consensus decisions are NOT based on the 'lowest common denominator' meaning simplest level of agreement. The alternatives are discussed and refined until a consensus is attained. That may mean that no one gets exactly what he or she wanted, but everyone is able to say, "I might take a different course of action if it were entirely up to me, but I commit my support to the plan on which we have all agreed." Achieving consensus involves compromise on the part of all members.

6. Expert Decision

An **expert decision** is a type of team decision in which the **final decision is taken by the individual who has the highest level of knowledge, skill, or experience** related to the problem, regardless of their formal position in the team.

In this method, the team recognizes that one member possesses **specialized expertise** (technical, professional, or practical). While discussion may occur, the **expert's judgment is given primary importance**, and the team accepts the decision made by that expert.



- **How Expert Decision Works**

- A problem or issue arises within the team.
- Team members identify who has the **most relevant expertise**.
- Information and opinions may be shared.
- The expert evaluates alternatives using their specialized knowledge.
- The **expert makes the final decision**, which the team agrees to follow.

- **Examples**

- In a **hospital team**, a senior surgeon decides the treatment plan.
- In an **IT project**, a software architect chooses the system design.
- In a **financial team**, a chartered accountant decides on tax strategies.
- In an **aviation company**, an experienced pilot decides safety procedures during emergencies.

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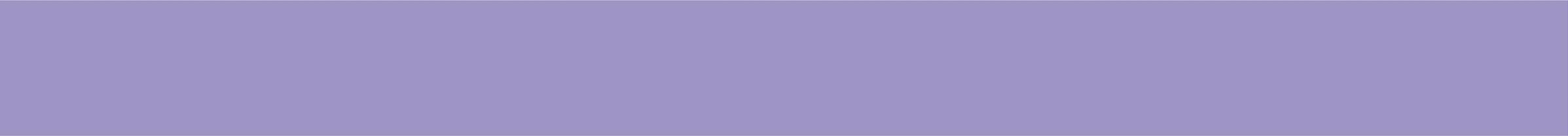
B. External:

4.2 Source of Power

- The ability of an individual to influence others within the context of a small, task-oriented team is determined by the power of that individual.
- There are five sources of social power; some are more effective than others.
- **Legitimate Power.**
 - This power results from the position the person holds. A designated or elected leader, a military commander, a manager, all have legitimate power, power that is inherent in the position. Generally, influence based on legitimate power will be accepted by team members; however, it is important that they accept the legitimacy of the power hierarchy.
- **Reward power**
 - Reward Power. This power is based on the ability of the person to control important sources of reward and reinforcement. Salary, bonuses, time off, access to resources, are all rewards that can be used to influence behavior.
 - It is usually well accepted by team members if the rewards are administered within clear contingencies and guidelines.

4.2 Source of Power

- **Coercive Power.**
- This is the power to administer punishment for noncompliance. Fines, suspensions, undesirable assignments, verbal abuse, ridicule, are all examples of punishment or coercive power. The application of coercive power usually leads to compliance, but also generates resentment, negative emotionality, and dislike for the person who uses it.
- **Expert Power.**
- This form of power is based on the knowledge, special skill, training, or experience of the person. When a person's expertise is known to the team, influence within that area of expertise is well accepted. The user of expert power must find a balance between being haughty and being too humble. Bragging about your skills does not establish useful expert power; however, expert power can not be used if no one knows about it.



- **Referent Power.**

- This is power based on the person's attractiveness and qualities as a human being. It is called "Referent" because team members use this person as a point of reference in developing their own personalities. Referent power depends upon developing positive relationships with team members. It is not simply mutual attraction, but a relationship that includes a kind of mentoring and guidance that is possible because one person wants to learn from the other.

- The use of power in teams is an ongoing process.
- The sources of power that are most useful to leaders and facilitators are **expert power and referent power**. They produce influence and change in a positive way, and minimize resistance and negativity.
- **Reward and legitimate** power can also be used effectively and in a positive way.
- **Coercive power** can quickly produce the desired behavior, but leads to other, undesirable consequences.

Team Dynamics

A. Internal:

1. Stages of team development & Recurring Phases
2. Team Composition and Roles
3. Team Building Issues
4. Types of Decision and sources of power
- 5. Productivity Meetings**

B. External:



**Onboarding
meetings**

**Brainstorming
meetings**

**Kickoff
meetings**

**Feedback and
retrospective
meetings**

**Budget and
financial
meetings**

**Status update
meetings**

**Meetings
without an
agenda**

**In-person
meetings as a
default**

Onboarding Meetings

- Onboarding your new hires is a must—but chances are you'll need more than one meeting to get them up to speed. Here are a few team meetings you should plan to schedule for your new team members to make sure they have everything they need to succeed in their new role:
- **1-on-1s:** On your new hires' first day, schedule one-on-one meetings with any key team members they'll be working with, including direct managers, team leaders, and internal subject-matter experts.
- **Meet the team:** Within the first few days, it's also important to schedule a meeting for your new hires to meet and greet their new team. While any meeting format will work, a more casual environment, like a team lunch, can make your new team members feel more welcome.
- **Tools training:** Schedule a time to train your new team members on any tools, systems, or software they'll need to know to do their job.
- **HR, Operations, and Facilities:** It's important to get your new hires up to speed on the logistical side of your business as soon as possible, including human resources, operations, and facilities.

Brain Storming Meetings

- Businesses run on new ideas. If you want to keep the river of ideas flowing, **brainstorming** meetings are a must.
- “Brainstorming meetings are designed to generate a lot of ideas over a short period of time—and they’re critical if you’re trying to solve a problem or achieve a goal,” says Chaudron.
- The key to successful brainstorming meetings? Keeping the focus on ideas, not on the outcome.
- Chaudron says brainstorming meetings should welcome ideas “without having to judge them right then. Figure out what works and doesn’t work after you do the brainstorming. It’s important you have a separate [meeting] just for the brainstorming itself.”

Kickoff Meeting

- If you're rolling out a new project or initiative, you need your team to know about it. **A kickoff** team meeting is a great place to fill them in.
- Kickoff meetings are effective for several reasons, says Chaudron. "People have to know what the long-term goals of the [project] are going to be so that they can align themselves properly. They really need to know their part in it, [and] you need to get their buy-in. The buy-in is particularly important so they can be enthusiastic about whatever is going on."

Feedback and Retrospective Meeting

- It's important to have a kickoff meeting when you're starting a project, but if you want your team to really learn from their experience, it's just as important, if not more so, to have a retrospective team meeting when that project wraps.
- "No project ever goes perfectly," says Baker. "Retrospective meetings are a great opportunity for people to come together to talk about what went well, what didn't go so well, and what will be changed for the next project."

Budgets and Financial Team Meeting

- There can be a lot of communication issues around money, which is why it's important to make financial team meetings a regular part of your rotation.
- “[Finances are] usually where the real tension is,” says Chaudron. “You’ve already agreed upon what has to be done—now you’ve got to figure out who is going to pay for it and when.”
- For budget and financial meetings to be effective, it's important to get everyone crystal clear on:
 - How much money you're going to spend
 - What the money is being spent on
 - What kind of return you can expect on your investment
- Having everyone on the same financial page will minimize conflict in the future, keep spending under control, and help keep surprises to a minimum.

Status Update Meetings

- In order for teams to succeed, it's important for everyone to be in the loop on what everyone else (and the team as a whole) is working on. Thanks to technology, though, there's zero reason to gather everyone in the same room at the same time to talk about it.
- Status updates are ineffective team meetings, says Baker. "A round-robin of what people are working on can be handled over email or a collaboration tool."
- Because status updates can deliver key insights on where projects stand, where they're headed, and any potential issues that need to be addressed, they are an important part of any team's workflow—but instead of spending the time and energy getting everyone together to share updates in person, it's much more effective to set up a digital channel for periodic check-ins.

Meetings without an Agenda

- If you want to have an [effective team meeting](#), you need to know exactly what you're going to cover during the meeting and what you want to get out of it when it wraps. Ideally, meeting outcomes should be tangible and measurable; so, for example, if a meeting's agenda is to discuss possible ideas for a new product launch, the outcomes (or, in other words, what you want to get out of the meeting) could be:
 - A list of the top 10 potential product ideas;
 - A list of research assignments for each of those product ideas (and who on the team is responsible for each);
and
 - Deadlines for when the research assignments are due
- And this holds true for all meetings. Being clear on your agenda and expectations is equally important when you're headed into a 50-person brainstorming session or having a one-on-one sit-down with your manager or the CEO.

Inperson Meetings

- When most people think of team meetings, they picture a bunch of people sitting around a table in a conference room. While face-to-face meetings still have their place in a productive meeting rotation, the truth is, a lot of meetings don't actually need to happen in person.
- Instead of defaulting to in-person gatherings, look for [opportunities to go virtual with meetings](#). Not only do virtual meetings typically take less time and energy to set up, but they also make it more accessible and inclusive for team members who can't be physically there, like remote workers or team members who work from other offices.
- Going virtual also allows the entire team meeting to be recorded, which can be helpful in a number of situations, such as if a key team member can't make the meeting in real time or if the meeting includes a training you want to share with new team members in the future.

Team Dynamics

A. Internal:

1. Stages of team development & Recurring Phases
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4. Types of Decision and sources of power
5. Productivity Meetings

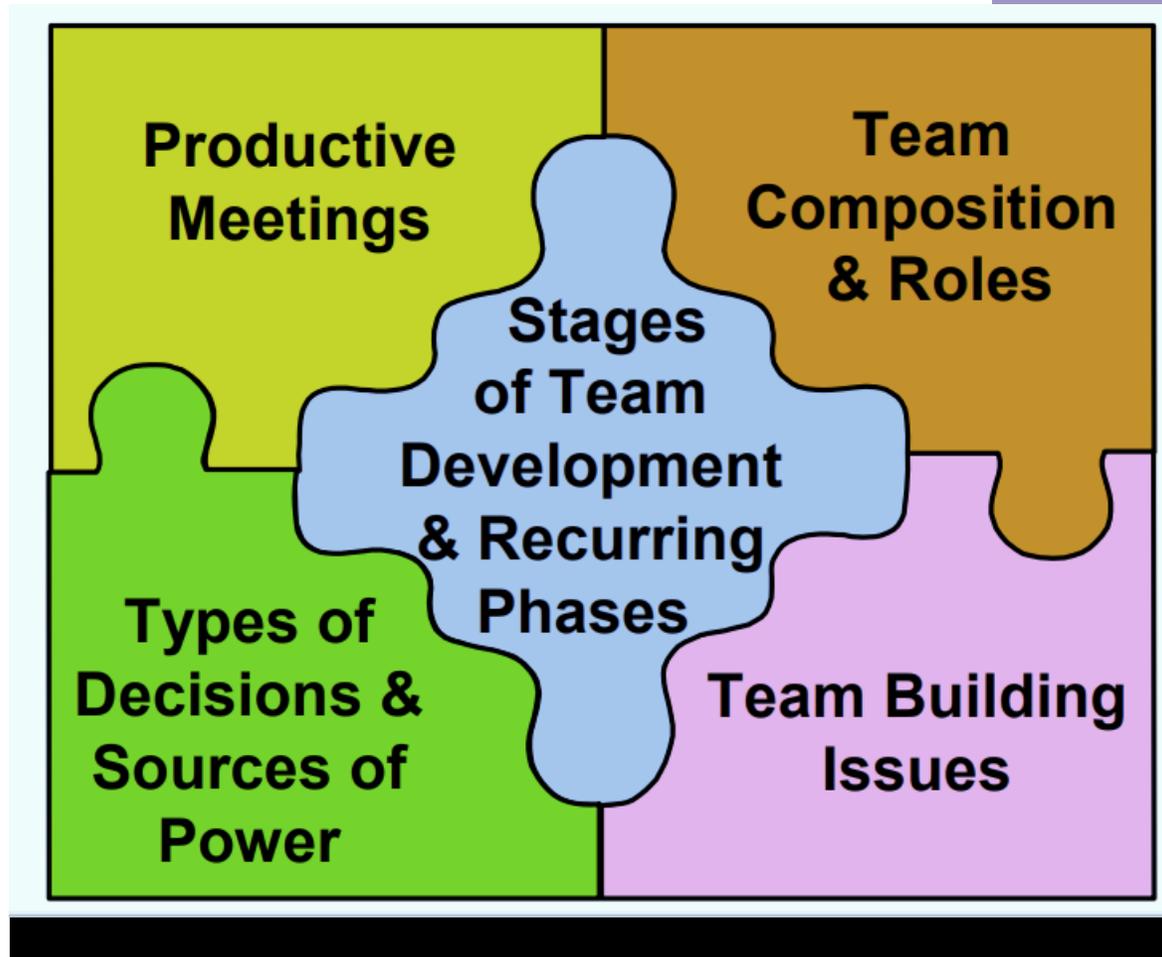
B. External:

External-Micro Factors

External Factors	Impact on Team	Role of Leader
Market trends	Increased stress and tension	Monitor market trends and adjust team goals and objectives accordingly.
Competition	Increased stress and tension	Encourage team members to focus on their strengths and work collaboratively to achieve their goals.
Organizational policies	Reduced creativity and innovation	Encourage team members to think outside the box and provide them with the resources they need to succeed.

External-Macro Factors

External Factors	Impact on Team	Role of Leader
Economic conditions	Changes in team goals and objectives	Monitor economic conditions and adjust team goals and objectives accordingly.
Technological advancements	Changes in work processes and communication methods	Encourage team members to adapt to new technologies and provide them with the necessary training and resources.
Regulatory and compliance requirements	Increased workload and stress	Ensure that team members are aware of regulatory and compliance requirements and provide them with the necessary support and resources.
Stakeholder expectations and relationships	Changes in team goals and objectives	Foster positive relationships with stakeholders and ensure that their expectations are aligned with the team's goals and objectives.



Unit 2 Building Effective Team

1. Definition of Team
2. Difference between Team and Group
3. Team Dynamics
 1. Internal:
 - a. Stages of team development
 - b. Team Composition and Roles
 - c. Team Building Issues
 - d. Types of Decision and sources of power
 - e. Productivity Meetings
 2. External:
4. **Networks**

Networks

- Network is a group of interconnected people or things that are linked together in some way. In the context of team dynamics, a network can refer to the relationships and interactions between team members, as well as the structure of the team itself.
- In other words Network is group of groups and the way people interact and navigate across and within a group.
- There are several types of networks that can exist within a team, including formal and informal networks, centralized and decentralized networks, and open and closed networks¹³.
- Example of Network: PTA, Customer Involvement in New Product Development, IT development Project mgt. Alpha Testing, and Beta Testing.

Types of Networks

Type of Network	Description	Subtypes	When Effective	Drawbacks	How to Create	Utilization by Leaders
Formal Networks	Established by the organization or team leader based on the official hierarchy of the team	Informational, Decision-making, Task-oriented	When there is a need for clear communication and collaboration between team members	Can lead to bureaucracy and slow decision-making	Establish a clear chain of command and define roles and responsibilities	Facilitate communication and collaboration between team members and ensure that everyone is working towards the same goals
Informal Networks	Formed spontaneously between team members based on shared interests, goals, or experiences	Friendship, Advice, Trust, Communication	When there is a need for building trust and fostering collaboration between team members	Can lead to exclusion and cliques	Encourage social interaction and provide opportunities for team members to share their experiences and interests	Identify key influencers within the team and leverage their influence to drive change

Types of Networks

Type of Network	Description	Subtypes	When Effective	Drawbacks	How to Create	Utilization by Leaders
Centralized Networks	Characterized by a single person or group of people who control all communication and decision-making	Hierarchical, Autocratic, Monarchic	When there is a need for quick decision-making and a clear chain of command	Can lead to a lack of creativity and innovation	Establish a clear chain of command and delegate decision-making authority	Ensure that decisions are made quickly and that everyone is aware of their roles and responsibilities
Decentralized Networks	Characterized by distributed communication and decision-making among team members	Collaborative, Democratic, Laissez-faire	When there is a need for collaboration and creativity	Can lead to confusion and lack of direction	Encourage open communication and provide opportunities for team members to share their ideas and perspectives	Encourage innovation and empower team members to take ownership of their work

Types of Networks

Type of Network	Description	Subtypes	When Effective	Drawbacks	How to Create	Utilization by Leaders
Open Networks	Characterized by a high degree of interaction between team members and people outside of the team, such as customers, suppliers, or other stakeholders	Collaborative, Competitive, Cooperative	When there is a need for bringing new ideas and perspectives into the team	Can lead to a lack of focus and direction	Encourage team members to interact with external stakeholders and provide opportunities for them to share their ideas and perspectives	Identify new opportunities and build relationships with key stakeholders
Closed Networks	Characterized by limited interaction between team members and people outside of the team	Confidential, Secretive, Defensive	When there is a need for confidentiality or security	Can lead to a lack of innovation and creativity	Establish clear boundaries and protocols for communication and information sharing	Ensure that sensitive information is kept confidential and that the team is protected from external

Internal Network Dynamics:

- **Communication and Collaboration:** Effective communication and collaboration within the team are fundamental for internal network dynamics. Teams that communicate openly and collaborate efficiently tend to be more cohesive and productive.
- **Leadership:** The internal network dynamics are influenced by the leadership within the team. The style of leadership, the ability to motivate team members, and the establishment of clear goals contribute to the team's internal dynamics.
- **Roles and Responsibilities:** The distribution and clarity of roles and responsibilities affect how team members interact with each other. Well-defined roles contribute to a smoother internal network, reducing conflicts and enhancing productivity.
- **Conflict Resolution:** How conflicts are managed within the team affects its internal network dynamics. Teams that have effective conflict resolution mechanisms tend to maintain a healthier working environment.

External Network Dynamics:

- **Interactions with Other Teams:** Teams often need to interact with other teams, departments, or external stakeholders. The dynamics of these external interactions can influence the team's performance. Effective communication and collaboration across teams contribute to overall organizational success.
- **Organizational Culture:** The broader organizational culture impacts how teams function. If an organization promotes innovation, flexibility, and open communication, these elements will influence the external network dynamics of each team.
- **Market and Industry Trends:** External factors such as market conditions, industry trends, and competitive landscapes can affect the team's goals and priorities. Teams need to adapt to external changes to remain relevant and successful.
- **Client and Customer Relationships:** For teams that have direct interactions with clients or customers, the dynamics of these external relationships are crucial. Understanding and meeting external expectations contribute to a team's success.