Objectives

- Identify and define organization in relation to the change process
- Understand the basic strategy-culture matrix and approaches to changing the culture to fit the strategy
- Recognize the importance of corporate culture and its relations to strategy
- Experience the concepts of a management simulation
The success of great companies begin to work against them when the “pride of position” starts to work.

Success can work against a company when it loses touch with its customers, corporate visions then become blurred, and a large corporate bureaucracy hinders employees from doing “productive work.”

When organizations are in desperate need of change or else they will face of change ore else bankruptcy/takeover, radical changes may be the only choice.

Organizational transformation refers to drastic changes in how an organization functions and to its environment.
Organization Transformation

The differences between Organization Development and Organization Transformation is:

- OD strategies represent more gradual approaches to strategic change.
- OT approaches are drastic, abrupt change to total structures, management processes, and corporate cultures; may or may not be developmental.
Organization Transformation (OT)

- OT tends to use directive approaches to change rather than participative.
- It requires a clear, shared vision, a willingness to change, a willingness to clean house, to reengineer and restructure, and the ability to tackle many problems at once.
- Research suggests the political dynamics of OT tend to be shaped by the power of power rather than by collaborative, participative approaches.
- Due to immediate threat, this may be the best way (or only way) to bring the organization back not fits with its environment.
Organizational Transformation

- There are several possible large-scale strategies
  1. Incremental - Long-term planned change.
  2. Transformative - immediate, drastic change.

- Dunphy and Stace have identified a model of large-scale strategies based on three key dimensions (See Figure 15.1)
  1. Time frame of change - short or long.
  2. Level of support of the organization culture.
  3. Degree of discontinuity with the environment.

- Four process change strategies:
  1. Participative evolution - incremental; anticipates change; has support of culture through collaboration means.
  2. Charismatic transformation - radical change in a short time with support of culture.
  3. Dictatorial transformation - used times of crisis; major restructuring running counter to internal culture.
Organizational Transformation

- OD change agents must select the most effective change process and strategy, rather than relying solely on a strategy that is compatible with their own personal values.

- Large-scale change in times of crisis (OT) can be more effectively implemented if combined with the behavioral skills of the OD approaches.
Questions
Reference