UNIT 6 DEVELOPMENT SYSTEM

Objectives

After going through the unit, you should be able to:

l   get an idea of the changing business environment;

l   describe the three "Ss" of organisational development;

l   formulate an OD plan keeping in view the personal and organisational mission, vision, objectives;

l   discuss the role of training and culture in OD; and

l   understand competency based OD.

Structure

6.1   THE CHANGING BUSINESS ENVIRONMENT

The Global Game

To Paraphrase Richard Bach in Illusions, "What the caterpillar sees and the end, the butterfly sees as the beginning."An end and a beginning is Transformation: As with the caterpillar, so with the world of business. The game has transformed itself, leaving behind the slow and predictable game has transformed itself, leaving behind the slow and predictable game of last century.

Driver by a potent mix of communications technology, consumerism, and social and political change, this is a totally different game: a global game of opportunities, risks, innovation and relentless, often unpredictable, change. And not just in business, but in education, sport, the arts, science and medicine: in every area of human endeavour.

Personal and marker niches have disappeared overnight, while industries, organizations, technologies, relationships and careers have all changed and are changing again. It is an environment in which we can take very little for granted, apart from the need to be agile, alert and high-performing.

As Richard Bach reminds us, we can see this as an end or a beginning.

If we see it as a beginning, then we do what successful organisms have done throughout the history of the planet: evolved and adapt to the changing conditions and

where possible, adapt the conditions to suit oneself. If we see it as an end, then we resist. There may be niches where we can resist for some time but however creating an agile, high-performance outfit (team, unit, organization) that thrives in these conditions.

The caterpillar is dying. We must become the butterfly.

The Performance Environment

This is about achieving high performance in business and the related fields of government, science, education and sport. To begin, we must therefore address the conditions in which the performance is to occur.

Exhibit 1

> If your are going to hike across a mountain range, it would be foolish not to study the landscape, to understand the mountains, the valleys, the streams, the pathways and the plants and animals. In particular, your want to know about the attractions and the danger, how the conditions might change over the day and night and how other hikers have tackled these, or similar, challenges.

In many ways, the global game of business is like a dynamic volatile landscape of mountains and valleys that is being constantly reshaped by the business equivalents of earthquakes, volcanoes and erosion. It presents the challenge to create and sustain organizations that have the agility to adapt to the changing conditions and the power to shape some of the landscape to suit themselves. This has always been the way in performance environments.

Old Paradigms are Risky

In all of this there are risks and opportunities. Joel Barker warned us that new paradigms put the other people who practice the old paradigms at risk. And as the lifespan of our paradigms continues to shrink, corporations cannibalize their own operations and products in search of new and better ways. They outsource, right-size, refocus, repackage, merge, de-merge and do whatever is needed to find a profitable niche.

As with products, so with a leadership practices. Traditional leadership practices ("male as boss", "command and control") have a limited lifespan in the era of globalization. They suit neither the complexity of the game nor the aspirations of people.

If old paradigms are risky then so are new ones. With risks comes reward and one of the characteristics of high-performance environments is that the separation of rewards increases. Whether charging organizations design, making a career change. Launching a totally new product or forming an alliance with a competitor, you can expect to win or lose-big.

Some 10-20 years ago, the "strategic-planning paradigm" was pretty straightforward. Basically one wrote the plan, then put it in drawer and led (or, rather, "managed") the business along reasonably predictable lines. Contrast that to the Unilever view of globalization give by its chairman, Niall Fitzgerald: "The more we learn, the clearer it becomes that there are no rules, no magic bullets, no one-size-fits-all templates. They key thing is flexibility and adaptability".

The new paradigm must allow for new, aggressive and unforeseen competitors, a learner and more demanding workforce of employees, contractors and partners,

multiple stakeholders and new technologies that offer (or threaten) to totally transform your business.

No one really knows where globalization will lead or even if it will collapse as government begin to erect new batteries. Nevertheless, it challenges us to think and act outside the paradigms of our current industries and professions, even through.

Imagine what is going to happen to your business when the average consumer is on-line, confident with the security of transactions and facing a massive range of choices. Advanced Internet applications that act like brokers search through the Internet and bring them products, services and information tailored to their unique needs. The consumer as leader; corporate leaders at every level responsible for meeting those needs. Now that's a revolution!
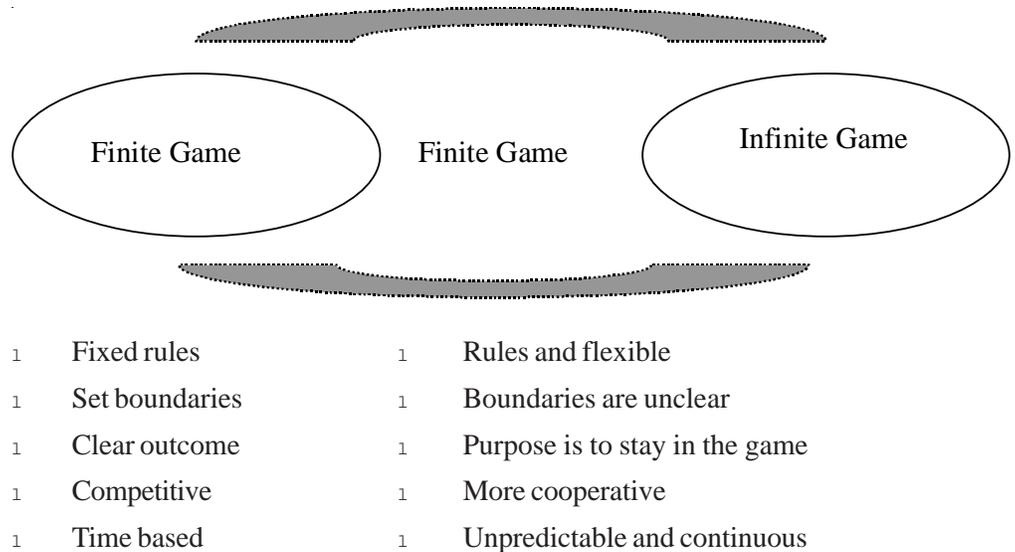
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        Finite Game          Finite Game          Infinite Game
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l	Fixed rules	l	Rules and flexible
l	Set boundaries	l	Boundaries are unclear
l	Clear outcome	l	Purpose is to stay in the game
l	Competitive	l	More cooperative
l	Time based	l	Unpredictable and continuous

Figure 1: Moving Towards an Infinite Game

Rarely, except in war, have leader seen their organizations so at risk. It is a call to action for organization to find, develop and retain The functional Leader who can create the adaptable and responsive teams and organizations that thrives in this high-performance environment.

Capture the Value of New Technologies

Capturing the advantage of new technologies and turning them into real performance and real value is a core responsibility of all leaders, and yet the implementation of new technologies has been notoriously poor in delivering the promised results. This capability for rapid and effective strategy execution is fundamental to organizational development.

The skills of the traditional "Boss" actually slow down the process of executing new strategies. The new Organizational Leaders are much less like the Boss and more like Olympic coaches who create and foster a performance culture that makes strategy execution a winning feature of their program.

Social Change

Woven amongst the forces of globalization and technology is a new, more complex dynamics between organizations and their customers, workforce and community. Power and information no longer reside just with institution will depend on your ability to form relationships with stakeholders, to understand their needs and to deliver in a way that adds value to all.

The changing behaviour patterns is emerging. In 21st Century customers expect and demand more value; define that value in a more personal way; and increasingly, research and buy on-line.

The expectations and behaviour of customers and changing just through the sheer choice of products and service available in the global marketplace. We drive through to collect food, bank on-line and get home delivery, so it is not surprisingly that we walk out of a shop that makes us queue for five minutes. Researching on-line lets us find lower price for books, computers and accommodation without the hassle of driving, parking and haggling. Cost comparison is now much easier, which makes it more difficult for business to set a high margin, or even to keep people loyal to their brand.

Who know, perhaps tomorrow the middle media will expose your industry for its taxation practices, or parade a disgruntled customer all over the country. Alternatively, a competitor might create a joint venture with a media outlet and use the linkage to build a public profile, or collapse yours.

6.2   THE THREE "Ss" OF THE ORGANISATIONAL DEVELOPMENT

In the pre-global game, we had neat boundaries between countries and industries and the luxury of focusing on one major strategy for some time. Between 1984 and the present day, three things changed: scale, speed and standards. Through the challenges that they present, each has totally reshaped the performance landscape.

Scale: From National to Global

The basic unit of landscape in the pre-global game was the "nation". Even the biggest corporations operated differently from one country to another, and the restrictions on flows of capital and trade ensured that performance was largely between players in a given country. The forces of democracy, trade deregulation and technology changed all that during the 1990s; now, the basic landscape unit is "global" and that means you are playing in a global game amongst the mega-merged organizations such as Exxon and Mobil, and BHP-Billiton, and small home-based enterprises with the reach of a multinational corporation.

Speed: From Steady to Fast

Have you notices how things have become compressed? "Business at the speed of though," as Bill Gates described it. Organizations that once were designed for control and predictability are now being challenged to design and implement new strategies and technologies at literally the speed of light. Agility and responsiveness are the new capabilities of business because they deliver speed.

In the recent PricewaterhouseCoopers (PwC) Consulting Executive Survey, Professor Bill Ford remarked, In 1991, I asked a group of executives from a traditional finance company, how long it was taking them to match their competitors' product. The answer was – seven years. Now the response needs to be in weeks or even days."

Standards: From Local to World-Class

You don't have to go to Paris to buy Paris-quality anymore. Consumers expect and receive world-class service and products wherever they live. This combination of intense competition and customer demand ensures that, like elite athletes, we have to

raise the bar and continue to excite and inspire ourselves and others to leap ever higher. "We have to measure ourselves globally and be genuinely world's best," says Mike Heard, CEO of Codan, an Australian-based designer and supplier of state-of-the-art radio communications and microwave telecommunications equipment.

It began with the export pushes by Asian countries in the 1980s but really tool off the early 1990s, when governments reduced or removed many of the barriers to trade and opened their markets and state-run institutions to competitors and investors from all over the world. More recently, we have seen the mega-mergers (Daimler-Chrysler, for example) that continue to reduce the number of key players in industries as diverse as telecommunications, accounting and automotive. Internet as diverse as telecommunications, accounting and automotive. Internet and related technologies have further accelerated the rate of change and they continue to drive efficiencies in value chains (with the promise of much more to come).

The terrorist attacks of September 11, 2001 and the ensuring battles perhaps pushed globalization back towards a sort of nationalism, but the genie is out of the bottle and no amount of protectionism from the U.S. or anyone else is going to reverse the tend.

Globalization means that your business now competes with other business from all over the world. The performance landscape is the world and few old walls and fences have survived.

It is this factor more than any other that drives the frantic search for higher level of performance. Customers no longer have one choice or a handful of choices: they are literally boardrooms of multinational, the global marketers with one aim in mind: to position their brand as a winner.

Completion breeds competition and no one, not even governments, is immune. And that is way we must question our paradigm, and challenge and change our strategies our strategies and operations in ways that we could not have envisaged just a few years ago.

6.3 FORMULATION OF THE ORGANISATIONAL DEVELOPMENT (OD) PLAN

The OD planning (Figure 2) is comprised of the personal mission, vision key roles, critical success factors, objectives, performance measure, targets, and improvement actions.

Formulating Personal Ambition

Formulating the personal perspective uses self-knowledge and self-image to create an effective balance between personal ambition and behavior on the one hand, and personal and shared ambition on the other. The purpose of beginning with self-knowledge is to develop inner peace and stability, composure, harmony, self-guidance, motivations, commitment (absolute will), loyalty, devotion and positive thinking. When these qualities are cultured in individual's a foundation is built for a continuously improving learning organization. The first three components in your personal mission, vision, and key roles are meant to allow you to express your personal ambition as well as to gain more insight into yourself, in terms of both the strong and weak points of your personal behaviour. They are meant to give you insight into your own self-image, which influences your attitude towards others and your emotional intelligence. They are meant to allow you to know more about yourself. After all, we do not know what we don't know. Even worse: We do not even know that we don't know this. By focusing inwardly and thinking about our actions through self-examination, we learn more and more about ourselves and can therefore function better.
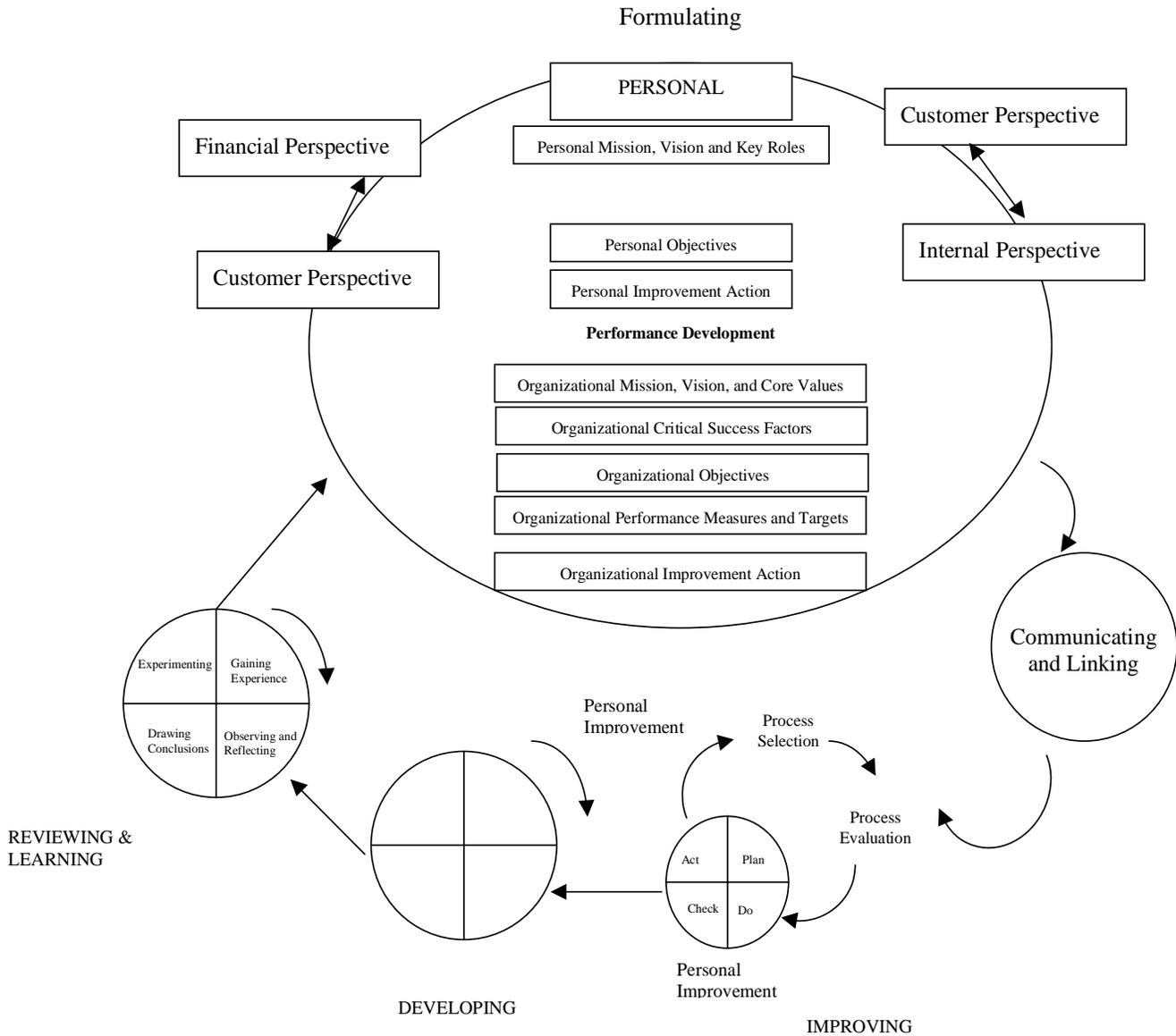
THE OD PLAN

Formulating

PERSONAL

Personal Mission, Vision and Key Roles

Financial Perspective

Customer Perspective

Customer Perspective

Internal Perspective

Personal Objectives

Personal Improvement Action

Performance Development

Organizational Mission, Vision, and Core Values

Organizational Critical Success Factors

Organizational Objectives

Organizational Performance Measures and Targets

Organizational Improvement Action

Communicating
and Linking

Experimenting | Gaining Experience

Drawing Conclusions | Observing and Reflecting

REVIEWING &
LEARNING

Personal
Improvement

Process
Selection

Process
Evaluation

Act | Plan

Check | Do

Personal
Improvement

DEVELOPING

IMPROVING

Figure 2: Organisational Development Plan

"Who am I?" is an identity question. I initiates a legitimate self-examination of your persona identity (the unique position you want to be in) and a voyage of discovery for self-knowledge. This journey is asking to the great discoveries of men such as Galileo Galilei (1564-1727), who discovered gravity and formulated the basic laws of mechanics; Charles Darwin, (1809-1882) who argued that we were not created by God on the seventh day but evolved from animals over the course of millions of years; Sigmund Freud (1856-1936), who theorized that we do not know our own minds but are blind towards ourselves and driven by subconscious drives; and Albert Einstein (1879-1955) who developed the theory of relativity. Inspired by these discoveries now try to discover who you truly are. Try to discover the powers Freud mentioned by listening intently to your inner voice. Abraham Maslow said the following about this:

When you observe your own thoughts from a meditative positon, you can let your own "I" emerge and distance yourself from your mindsets. You will learn to look at your own life with new eyes and observe what is happening inside of you. By means of this

you will know where your stand in life. Formulation your personal ambition can also serve as a crowbar to be used off your rusty mindsets, which block your creativity. You will be better equipped to create your own future and discover your destinations. After all, only if you know yourself will you be able to discover your talents and develop your talents and develop your personal goals, then put them to the service of yourself and others. It is, therefore, important to listen to your inner voice, the one that is trying to tell you what is the best for you and how you can control your inner processes. An important rule here is: listen effectively to yourself, trust your inner voice, and obey it. You'll then act from conviction. Selvarajan Yesudian (1991), the Indian yoga guru, says the following about this:

Let us make it our habit to constantly focus our attention inwardly and dwell within ourselves. Then we would build our house on sturdy ground and not on quicksand. Looking from the safe height of our heart we can observe our own development, our growth, and the expansion of our awareness without losing our inner peace. This way, we'll be able to understand and accept every situation we experience and every phase of development we go through.

This is certainly not a fashionable trend. It is a personal note about yourself and it meant to inspire you to act with determination and energy and to stimulate your inner involvement. By writing down your personal mission, vision, key roles, and objectives, you are putting yourself in front of a mirror; on the basis of this acquired clarity, your will have more creative ideas, improve your ability to learn and become more successful (Exhibit 2). To that end we have to ask ourselves and be open to three primary questions:

Exhibit 2

Primary Questions that are Central to Your Personal Mission and Vision	
Personal Mission	**Personal Vision**
ı Who am I?	ı Where I am going?
ı What is my philosophy of life?	ı Which values and principles guide my way?
ı Why am I on this earth?	ı What do I want to help realize?
ı What are my overall life objectives?	ı What do I want to achieve?
ı What do I live for?	ı What are my long-term intentions?
ı What are my deepest aspirations?	ı What is my ideal?
ı Why do I what I do?	ı What do I stand for?
ı What are my unique talents?	ı What do I believe in?
ı Where do I stand now?	ı Which contribution to society do I strive to make?
ı What are my core beliefs?	ı How do I want to distinguish myself in society?
	ı How do I see myself? (What is my self-image and my sense of self-worth?)

Who am I?

For what purpose am I here on earth?

And why am I going?

These questions involve our personal ambition. When the personal mission and vision are expressed, they should be formulated positively and in the present tense, as if everything is happening now. In Figure 2 you will find the basic questions to answer.

Your personal mission statement includes your life philosophy and your primary life objective. It indicates what you are living for and what your deepest aspirations are. If functions as an ethical compass that gives direction to your life. To put you enjoy doing and what satisfies you. Your personal vision statement describes where you want to go, which qualities you would like to have if your could be exactly who you wanted to be, and what your ideal is with respect to your profession, environment, health, and other issues. Your personal mission and vision is a concreter translation of your inner longings. Therefore, your inner voice and your deeper convictions about how your life should be play an important role here.

Your key roles regard the way you wish to fulfill different roles in your life, in order to realize your personal mission and vision. For example, what type of relationship would you like to have with your friends, family, neighbors and others? According to Stephen Covey (1993), these three elements (personal mission, vision, and key roles) form a "constitution" on which your own life and behaviour are based and by which you review decisions regarding what you want to achieve and do. They involve your inner needs and motivates as well as your self-consciousness, power of imagination, and conscience. Through your conscience you come into contact with your principles, which in turn are made effective through your personal talents. On this basis, you will be able to give direction to your life. The personal mission, vision, and key roles, which I call personal ambition, should be formulated in such a way that you are inspired to reflect upon your life and everything you undertake. According to Covey, you will gain answer the following two question: What do you want to have engraved on your tombstone? Which memories would you like to leave behind after your pass away? In other words, what would you like people so say about you after your death, and what difference do you want to make with your presence here on earth?

Personal mission and vision statements are most effective when they comply with the following criteria:

ı   The mission is short, clear, simple, and formulated in the present tense, it is concrete and can be used as guideline. It can also be visualized by means of a drawing.

ı   The mission and vision are unique for each person and are recognizable to others.

ı   The mission and vision are specific to each person and also include ethical starting points, with an emphasis on skills, principles, values, and standards, such as integrity, reliability, trust, helpfulness, credibility, frankness, teamwork, and other values. Integrity, which entails the discipline to live according to your inner truth, is a concept that often appears in personal mission statement.

ı   The mission and vision are formulated positively and captivatingly and are durable.

ı   The vision is ambitious and inspiring; it gives direction to personal initiatives and creativity, and combines personal power and energy.

ı   The vision is directive; it take care of inner guidelines and determines today's actions in order to reach an optimum future.

ı   The vision indicates how a person wants to distinguish himself or herself in society.

ı   The vision is also based on self-image, self-knowledge, self-acceptance, and self-development; is required a positive image of ourselves and others. The biggest hindrance to success in creating our vision and mission is our own thinking. Ordinarily we do not really think about ourself and we are blocked by our mindset.

Answering the mentioned simple but profoundly personal questions can help your formulate your personal mission, vision, key roles, and objectives. These question are connected to your inner voice and enable you to discover the truth about yourself and your life – that is, your identity. The following breathing exercises can help you turn your attention inward. In fact, breathing exercises can help you turn your identity. The following berating exercise can help you turn your attention inward. In fact, breathing and the ability to think have the same origin in human beings. Thought control follows breathing control and vice versa (Yesudianm 1991).

Box 1 shows the personal vision statement of Henry Ford (1863-1947), who was first to introduce the assembly line, in 1914, and to mass-produce cars (Lewis, 1907). The price of cars then dropped, which made them accessible to the general public Until 1920 Ford had the largest and fasted factory in the world.

Box 1

Personal Vision of Henry Ford

"I will build a motor car for the great multitude…. Constructed of the best materials, by the best men to be hired, after the simplest design that modern engineering can devise…… so low in price that no man making a good salary will be unable to own one – and enjoy with his family the blessing of hours of pleasure in God's great open spaces."
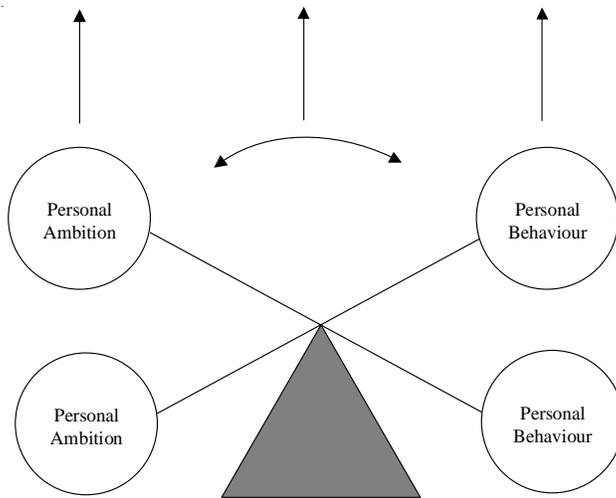

Balancing Personal Ambition and Personal Behaviour

The first step on the way to sustainable personal improvement is to give attention to your person ambition. Aligning your ambition with your behaviour is necessary for developing inner peace and personal charisma, as well as for improving your credibility with others (Rampersad, 2003). When you do this you avoid conflict with your conscience and act in an ethical manner. Indeed, whereas we judge us by our visible behavioural patterns – what we do and say. This balancing process is about the interaction between, on the other hand, how others interpret you. There is always potential difference, which is often difficult to accept, between how you see yourself and who you want to be, and how others see and judge you.

To become the person you have envisioned in your personal ambition, you also have to know how others see you and what they think of you. When you know this, your self-knowledge increases and you are able to improve the effectiveness of your actions. Therefore, this process of developing self-knowledge involves the establishment of a balance between your personal ambition (which envision a higher level of consciousness) and your personal behaviour (which refers to your present behaviour), see Exhibit 3. As we have discussed, your personal ambition is also shaped by your mindsets. Behind these mindsets are hidden your motivates and inner needs, which are expressed in your personal behaviour. Thus, behind our behaviour are hidden motives. Our most important motive is to be happy; in order to achieve this the most important conditions are good health and a balanced mind. Our behaviour is therefore determined more by our inner needs than by external surroundings. In order to achieve real personal improvement and change it is necessary first to find a balance between behaviour and inner motives. The central questions in this contemplative process are: How do my ideals, ambitions, intentions, needs, and deepest desire fit my present actions? Does my personal ambition reflect my desire to act ethically? Are there contradictions in my personal ambition? In what way does my behaviour influence my vies, and vice versa? Do I act in accordance with high ethical

Exhibit 3 : Balancing Personal Ambition and Personal Behaviour

Invisible Behavioural Pattern Higher Level of Awareness Personal Intentions, Identity, Ideals, and Values Motives/ Inner Needs Self-Image and Self-Knowledge	Conscience Inner Peace Charisma Credibility Energy	Visible Behavioural Patterns Present Way of Acting

When people fine harmony between their personal ambition and their personal behaviour, they will not come into conflict with their won conscience and will be able to work efficiently in a global-oriented way for continuous improvement, development, and learning. According to Selvazajan Yesudian (1991, p. 47) our conscience is the inner voice that takes to use with firm conviction to help us distinguish between right and wrong, between fact and fiction. It is a voice that whispers to us what we can do best and guides us in our daily activities. It is a voice that we can trust and on which we can build existence. It is the only reliable compass to follow if there is a conflict between the mind that reasons and the heart that decides.

Personal (<Mission>, <Vision>, <Key Roles>) = Personal Behaviour

Personal Ambition = Personal Behaviour

Figure 3 : Personal Ambition and Personal Behaviour

Formulating the Organization Development Plan

If a man advances confidently in the direction of his dreams to live the life he has imagined, he will meet with a success unexpected in common hours.

The organizational development plan includes the overall (corporate) organizational mission, vision, core values, critical success factors, strategic objectives, performance measures, targets and improvement actions.

Formulating the Shared Organizational Ambition

Formulating the shared mission and vision as well as the related critical success factors and core values comprises the first step in the organizational strategy development process. The most important core questions are illustrated in Appendix 1. Together the organizational mission and vision form an important management tool that reflects the soul and vision form an important management tool that reflects the soul of the organization. They indicate what the organization stands soul of the

organization. They indicate what the organization stands for, why it exists, what its primary objective is, where it want to go, how it plans to get there based on its value on its value (its driving force), and the important points everyone needs to concentrate on. Together they produce the shared organizational ambition and have an important impact on the bonding of employees to the organization and to their performance.

A successfully formulated organizational ambition shows people how their activities can contribute to the whole, which allows them to work together with greater enthusiasm toward organizational objectives. Subsequently, they feel proud about making a useful contribution to something worthwhile. The organizational ambition only works in this way, however, when employees believe that management has long-term commitment to it. The organizational ambition only has a long-term commitments to it. The organizational mission and vision give direction to an organization and function as a compass or road map. The convincing articulation of a decisive, inspiring, goal-oriented, recognizable, challenging, and fascinating mission and vision through which people feel bonded and touched usually leads to more devotion, satisfaction, and commitment. After all, such a shared ambition inspires creativity and motivates and mobilizes people. It gives them energy and therefore leads to better performance.

This process is a way to create the future of the organization together. According to Peter Senge (1990), this future is positively influenced by a creative tension between where the organization wants to go (organizational vision) and where it stands now (existing reality). In this, the following principles play a role (Hargrove, 1995):

l   Aspiration principle. What do we want to become?

l   Lever principle. How can we apply our resources in such a way that they have the biggest effect?

l   Convergence principle. What can we achieve together?

l   Concentration principle. On which ambitious objectives should we concentrate?

Used as a management instruments, the organizational mission vision gives the opportunity to create unity in the behaviour of employees, allows them to be proud of their organization, and lets them focus on those relevant activities that create customer value and eliminate unproductive activities. An effective organizational mission-vision also provides a foundation for decision making and helps mangers determine how to use available resources correctly.

Effectively formulated organizational mission and vision statements comply with the following criteria:

l   The mission is short, concrete, and simple; it is understandable and clear to everyone in the organization so that it can be used as a concreter guide for taking action. It can also be visualized by means of a drawing.

l   The mission and vision appeal to the largest group of stakeholders and are formulated in positive terms.

l   The mission and vision are realistic and recognizable for every one; their feasibility is not open for discussion.

l   The mission and vision are organization specific; their emphasis in those elements that distinguish it from other organization. At the same time the borders of the mission, specifically, are broadly defined to allow for the development of new initiatives.

l   The mission and vision also include ethical starting points and culture components, such as respect for the individual, contributions to society, helping people to develop their possibilities, and so on.

ı   The vision is ambitious and challenging; it inspires the employee, gives an attractive view of the final objective, gives guidance to initiatives and creativity, appeals directly to people, and joins forces within the organization.

ı   The vision gives direction; it determines today's actions in order to achieve an optimal future.

ı   The vision is complete; it take into consideration all four scorecard perspectives financial, customers, internal processes, and knowledge and learning as well as society too.

ı   The vision advances; its elements are based on continuous improvement, learning, and development. The vision should be revised every ten years in order to keep it fresh. An effective vision can generally give the organization successful direction for decades.

ı   The vision is linked to time, and the mission is timeless.

Organizational Mission

The organizational mission encompasses the identity of the organization and indicates its reason for existence: for whom it exists, why it exists, which needs it fulfills, what its ultimate objective is, what its primary function is, and how its most important stakeholders are. Related questions include: What activities are we occupied with? What kind of services of products do we provide? How do we define the customers we serve? On whose behalf do we make an effort? Which unique values do we give to our customers? A successful mission statement also describes to a greater extent the organization's activities and identifies the range of work in terms of customers, employees, services, and products. The mission determines the nature of the organization and is timeless. This "genetic code" of the organization is meant to help employees build a common understanding of the main objective, increase their devotion, and provide and explanation as to why their organization is different from the others.

Organizational Vision

The organizational vision includes the organization's long-term dream and indicates the route of transformation required to reach it. Besides that, the vision includes critical success factors, standards, and values. It also shows where and how the organization wants to distinguish itself from others. This implies that the organizational vision provides insight into core competences: the fields in which the organization excels, the reasons why customers use its products and services and the principles of the employees.

According to James Collins and Jerry Porras (1997), the vision helps the organization determine which core competences must be kept intact and saved, and in which future direction the organization should be worked. The starting point her is cherish the core and stimulate progress. The organizational vision is linked to a time horizon and its related strategic objectives and performance measures. Performance measures make the vision measurable. An effectively formulated and well-articulated organizational vision guides personal ambition and creativity, creates a climate for drastic change, strengthens beliefs in the future, and thus releases energy in the employee.

The vision also contains ethical starting points and is closely related to organizational culture. Examples of these includes respecting the individual and the customer; contributing to society; helping employees develop their potentials; making customer satisfaction the most important goals, and team work. Organizational culture is closely related to the behaviour, standards, value, principles, emotions, and thought of the people who make up that culture (Lipton, 1997). These elements are determined by

a number of factors such as education, religious beliefs, professional ethic, and so on. Research indicates that the stronger the organizational culture is the more result-oriented employees are (Peters and Waterman, 1992).

A culture is strong if the employees share many mental pursuits. Operational performance is usually positively influenced when organizational behaviour is continuously aligned with organizational culture. Moreover, it seems that the commitment and involvement of employees is also optimal if their personal values and the core values of the organization match. When employees understand the organizational cultural, they know what is expected of them. Core values function here as a foundation that supports and guides the job-related behaviour of the employees.

To illustrate these points, the organizational mission and vision of Business Jet are provided in Box 2. As can be seen, the vision of Business Jet consists of several critical success factors and a few elements regarding what the organization stands for. These organizational critical success factors will be discussed in detail in the next section.

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Box 2 : Mission and Vision of Business Jet

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Mission

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We are a safe and realizable airline company for business people.

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Vision

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In all aspects we want to be a professional organization, one that is the customers first choice for business travel in all the regions where we operate. We want to achieve this by:

(1)   Achieving excellent financial results and growing profitably, and through the successful introduction of innovative products and services;

(2)   Offering our customers high-quality services and, due to our image, having a dominant share in the global market of business travel;

(3)   Having airplanes depart and arrive on time, doing so more successfully than competitors, and creating an inspiring work environment that provides an atmosphere of team spirit, open communication, and process thinking.

(4)   Continuously developing our human potential, and, based on our knowledge, skills, and capabilities, acquiring competitive advantage.

In order to be the most safe and reliable business travel company, everything within our organization will be focused on achieving top performances with a motivated working force that cares for the needs of the society we take part in.

The Mission-Vision Development System

The mission-vision development system begins with the management team formulation the organizational mission and vision conceptually, and then communicating it during several sessions to all stakeholder. In practice, this dissemination of the shared ambition is done more and more through in-house conferences, where large groups of participants (30-80) are briefed and then discuss the mission-vision with each other to learn how the strategy can be implemented. Based on these feedback adjustments are made and a definitive mission-vision statement is then formulated to which nearly everyone can subscribe. Afterwards, every business unit formulates its own vision based on the shared ambition of the organization. After employees have familiarized themselves with the vision of the business unit, they will use it as a guideline for formulating their own team's vision.

This process of mission-vision development is done at all organizational levels, with the active participation of all stakeholder at an early stage. This learning process is intuitive, iterative, and cyclic as and ideas. Peter Senge (1990) gives the following

tips: teat everyone equally; strive for single-mindedness (absolute consensus is not the process (not only on the formulation of the vision statement). With the development of the shared ambition, past and present insights and with employees (brainstorming in a team, whereby each team is representative of the entire organization), employees and managers get better insight into the organizational course to follow; this will benefit the support and commitment within the whole organization.

The development process is therefore more important than the statement itself. When assessing the organizational vision, the following questions are central: Does the vision give your direction, energy, strength, motivation, something to hold on to, and a feeling of warmth? Because of it do you feel like implementing your knowledge intensively and sharing it with others? Do you feel personally involved with the vision? Does it provide perspective to all stakeholder? Do it give an orientation to all key activities? Does the vision relate to you? Does it make your enthusiastic? Do you believe in it? Does the vision give you a feeling of direction? Will you work with all your might to realize the vision? By asking and answering these questions you make choices that will gradually give greater and greater shape to the vision.

Core Values in the OD System

As we have seen, the organizational vision is based on a number of shared values that are used to strengthen the single-mindset of the employees and positively influence their behaviour. These values determine how people work to realize the vision; they express the behaviour of all employees. The core values function as a foundation that give direction and support to people at work. They relate to the way we society as a whole. According to James Collins and Jerry Porras (1997), the core values are the unchangeable guiding principles and fundamentals of an organization what are essential for its continuity. These include inner values, which determine where people within an organization stand. Some central question here are: Which values are precious to us? What do we stand for? How do we treat each other, and how do we work together? How do we think ourselves? What are the desired characteristics of our cultural and leadership style?

A set of core values of Business Jet is given in the following Box-3. Integrity and enjoyment play an important role here. Integrity deals with ethics, Kamp (1999) writes the following about enjoyment:

Richard Branson was being interviewed. He said that he dressed informally and made jokes to encourage his employees to do the same. He wanted them to consider enjoyment as an essential part of their job instead of something that only belongs to their private life. He believed he could encourage others to do the same if he approached work in a pleasant way.

Box 3 : Business Jet's Core Values

Business Jet is guides by the following core values:

Integrity: Doing business with integrity. Integrity is never compromised.

Enjoyment and Passion: Working with devoted people who enjoy their work, are passionate, and are driven to achieve superior performance in everything our airline company undertakes. Employee involvement is our way of life.

Customer Orientation: Listening continuously to our customers, discovering their expectations and providing them with the quality services they expect of us, and satisfying them constantly. They are the focus of everything we do.

Safe and Reliable: Being known as the safest and most reliable airline company for business people.

Julie Bick (1997) made the following remarks based on her experiences at Microsoft:
Team spirit is strengthened by shared experiences, irrespective if this is by working
hard or by free time. Enjoyment increases companionship and morality.
Therefore, regularly take time off to relax and make something worthwhile
of special occasions.

Linking the Organizational Development

The duty to the shareholders arises out of the expectation of a superior return on
investment and improved dividend payments. It is the moral duty of business
executives and employees to pursue a profitable organization based on owner
investment. A company's ethical duty to its employees arises out of respect for the
worth and dignity of individuals who devote their energy to the business. Business
executives also have the moral duty to promote employee interests such as competence
development career opportunities, job sect, a safe and healthy workplace, and respect
for the dignity and privacy due all human beings.

The ethical duty to the customer encompasses the provision of reliable products and
services, at fair prices, that are delivered on time and within budget according to
regulations. Organizations have the moral duty to protect customers: by voluntarily
informing them about the ingredients in their products and whether they could have
potential harmful effects; by recalling products they suspect have faulty parts or
defective designs; and so on.

The duty to suppliers arises out of an organization's partnership relationship
with them that is necessary to increase added value and realized a
high-quality product.

The ethical duty of the customer encompasses the provision of reliable products and
services, at fair prices, that are delivered on time and within budget according to
regulations. Organizations have the moral duty to protect customers: by voluntarily
informing them about the ingredients in their products and whether they could have
potential harmful effects; by recalling products they suspect have faulty parts or
defective design; and so on.

The duty to suppliers arises out of an organization's partnership relationship
with them that is necessary to increase added value and realize a
high-quality product.

The ethical duty of the company to the community at large arises out of the fact that
as a member of society, it is expected to be a good citizen. This is demonstrated by,
for instance, paying taxes, being eco-conscious, supporting community activity,
creating job opportunities, and operating responsibly.

A shared ethical ambition requires ethical behaviour of everyone within the
organization. In order to be successful, management and employees should act in
accordance with the formulated principles and values. The boxed text discuss the
infamous example of a successful company that had an effectively shared ethical
ambition but nevertheless went bankrupt because it was under minded by the unethical
behaviour of its management (Thompson and Strickland , 2002). The Enron case
stresses the importance of balancing the personal ambition of management and
employees with their personal behaviour and with the shared organizational
ambition. (Box – 4).

Box 4 : The Enron Debacle: A Bold Shared Ambition Undermined by Management's Unethical Behaviour

Until its crash in the fall of 2001, Enron was one of the world's largest electricity, natural gas, and broadband trading companies, with revenues of over $ 100 billion. Enron's strategic intent was to become the blue-chip energy and communications company of the twenty-first century through its business efforts in four core areas: Enron Wholesale Services, Enron Broadband Services, Enron Energy Services, and Enron Transpiration Services, Enron management claimed that each of these business units supported the company's shared ambition, stated as follows:

Who are We and Why do We Exist?

We offer a wide range of physical, transportation, financial and technical solutions to thousands of customers around the world. Our business is to create value and opportunity for your business. We do this by combining our financial resources, access to physical commodities, and knowledge to create innovative solutions to challenging industrial problems. We are best known for our natural gas and electricity products, but today we also offer retail energy and broadband products. These products give customers the flexibility they need to complete today.

What do we Believe?

We begin with a fundamental belief in the inherent wisdom of open markets. We are convinced that customer choice and competition lead to lower prices and innovation. Enron is a laboratory for innovation. That is why we employ the best and the brightest people. And we believe that every employee can make a different here. We encourage people to make a difference by creating an environment where everyone is allowed to achieve their full potential and where everyone has a sake in the outcome. We think this entrepreneurial approach stimulates creativity. We value diversity and are committed to removing all barriers to employment and advancement based on sex, sexual orientating, race, religion, age, ethnic background, national origin, or physical limitation. Our success is measured by the success of our customers. We are committed to meeting their energy needs with solutions that offer them a competitive advantage. And we work with them in ways that reinforce the benefits of a long-term partnership with Enron. In everything we do, we operate safely and with concern for the environment. This is a responsibility we take seriously in all the different places around the world where we do business. We're changing the way energy is delivered, as well as the market for it. We're reinventing the fundamentals of this business by providing energy at lower costs and in more usable forms than has been provided before. Everything we do it about change. Together we are creating the leading energy company in the world. Together, we are defining the energy company of the future.

Our Core Value

Integrity: We work with Customers and prospects openly, honestly, and sincerely. When we say we will do something, we will do it; when we say we cannot or we will not do something, then we won't do it.

Respect: We treat others as we would like to be treated. Ruthlessness, callousness, and arrogance don't belong here.

Excellence: We are satisfied with nothing less than the very best in every thing we do. We will continue to raise the bar for everyone. The great fun here will be for all of us to discover just how good we can really be.

Communication: We have an obligation to communicate. Here, we take time to talk with one another and to listen. We believe that information is meant to move and that information moves people.

But gaping flaws in Enron's strategy began to emerge in the Fall of 2001, staring with revelations that the company had incurred billions more in debt to grow its energy trading business than was first apparent from its balance sheet. The off-balance-sheet debt was hidden by obscurely worded footnotes to the company's financial statements involving mysterious partnership in which the company's Chief Financial Officer (CFO) had an interest (and was apparently using it to make million in profits on the side). After Enron's strong price slid from the mid-$80s to the high-$30s despite glowing earnings reports, the company's well-regarded Chief Executive Officer suddenly resigned for "personal reasons" in August 2001. Weeks later, the company's CFO was asked to resign as details of his conflict of interest in the off-balance-sheet partnerships came to light. Meanwhile, top company executives continued to insister publicly that the company was in sound financial shape and that its business was secure, hoping to keep customers from taking their business to rivals and to reassure concerned shareholders. But Enron's crown jewel, its energy trading business, which generated about $ 60 billion in reported revenues, came under increased scrutiny, both for the debt that had been amassed to support such enormous trading volumes and for its very this profit margins (some of which were suspect due to accounting treatments that had won the stamp of approval of Arthur Andersen, the company's auditor). Within weeks, Enron field for bankruptcy, its stock price fell below $1 per share, its stock was delisted from the New York Stock Exchange, and a scandal of unprecedented proportions grew almost daily. Arthur Anderson fired the partner on the Enron account when it appeared that working papers relating to the audit were destroyed in an apparent effort to obstruct a congressional investigation of the details of Enron's collapse. Enron's board fired Arthur Anderson as the company's auditor.

Then Enron was caught destroying documents (as late as January 2002) in an apparent attempt to hide the company's former vice chairman committed suicide after it became public that he had vigorously protested Enron's accounting practices earlier in 2001. It also came out that senior company officers had sold shares of Enron Stock months earlier, when the stock price slide first began. Enron employees – most of whom had their entire 401 (k) monies tied up in Enron stock and were precluded from selling their shares, and 4,000 of whom were dismissed in a last-ditch effort to cut costs - watches helplessly as their retirement savings were wiped out by the crash. The extent of management's unethical behaviour is still under investigation. But Enron management clearly did not act in accordance with the principle and values it espoused.

6.4 DEVELOPING BUSINESS ETHICS

A variety of methods can be employed to improve business ethics, such as (also Miller, Catt, and Carlson, 1996):

1 *Writing a code of ethics;* this tells employees an manager how to act in various situations, and makes clear to them that they will be expected to recognize the ethical dimensions of corporate policies and actions. This should always be included in the organizational shared ambition. Free and open communication is the key element in implementing codes of ethics. Steve Jobs, CEO of Apple Computer, started the following about such communication:

1 I strong believe in open communication with in the firm helps all employees have complete access to almost all information's in the company, including other employees' salaries. Only when employees understand the entire master plan for he firm will they able to make effective decisions that are in line with company's value.

l   *Communication to ethical business behaviour;* top management must be openly committed to ethical conduct and must provide constant leadership in tending and renewing the values of he organization. Everyone within the organization must be made aware of the core values of the firm's ethics program. Involvement and commitment of personnel at all organizational levels is important in order to develop higher levels of trust and pride in the business.

l   *Settings up a permanent ethics committee.*

l   *Employing and ombudsperson;* someone in the company who can go directly to top management with problems or complaints.

l   *Establishing "hotlines" for comments and complaints regarding unethical acts;* to process reports of unethical behaviour. Employees should feel it is their duty to report violations.

l   *Conducting in*-house ethics seminars.

l   *Developing communication programs that emphasize corporate ethics;* to inform and motivate employees, customs, suppliers, shareholders, and the general public.

l   *Executing ethical audits;* to ensure compliance by personal on at last an annual basis.

l   *Introducing enforcement procedures;* including discipline and dismissal for violations.

l   *Paying special attention to values and ethics in recruiting and hiring practices.*

l   Giving recognition and rewards; for exemplary ethical employee of managerial performance.

Balancing Personal Ambition with Shared Ambition

Here the alignment of the personal ambition with the shared organizational ambition is central for the purpose of stimulating the enjoyment, active participation, and motivation of employees. Once these two ambitions have been formulated there is the need for a period of reflection, a time in which to think profoundly about balancing these two scorecard elements. This process of balancing deals with obtaining a high level of concordance between personal and organizational goals and a mutual rise in. value. People do now work with devotion and do not spend energy on something they do not believe in or agree with. Clarity and uniformity of personal and organizational values and principles are, therefore, essential for the active involvement of people. Experience teaches us that identification with the organization is the most important motive for employees to dedicate themselves actively to the organizational objectives personal values and principles that we must try to understand and key to the value of the organization. Only by doing this will changes and improvements have a permanent nature. The questions that are central here are: Does your personal ambition match the shared organizational ambition? Do they balance? As summary (Exhibit 4).

Exhibit 4 : Personal Ambition and Shared Organisational Ambition

Personal (<Mission>, <Vision>, = Organizational (<Mission>, <Key Roles>)

(Vision, <Core Values>)

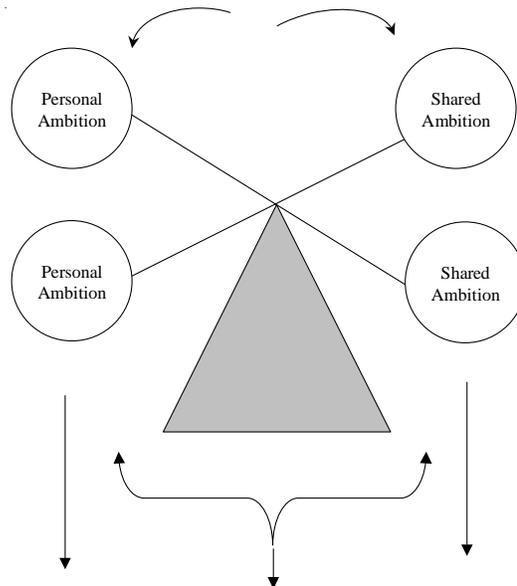Personal Ambition = Shared Organizational Ambition

Personal Development = Organizational Development

Individual Learning = Collective Learning

Miller, Catt, and Carlson (1996) introduce a personal way to deal with ethical problems on the job (When your manager asked you to do something unethical);

1) Make sure there is a conflict. Make sure both you and your manager have all the facts. Check the contract to see if the activity is permitted.

2) Decide how much you are willing to risk. Do a cost-benefit analysis. Look at everyone involved, and ask yourself what the harm and benefit is to each group.

3) Make you move. If the unethical action is important enough for you to take a risk, tell, your manage you cannot do it. Do not make accusations to your manager. Let him or her save face.

4) If there is trouble, get help. If your manger says you have to do it anyway and you feel that you cannot, then you should go to some influential person in the company. Try not to go directly above your manager.

5) Consider a job change. If the people you turn to for help do not have a problem with the situation, then perhaps you need to quit. Evaluate your manager's personal ambition and the shared organizational ambition. If they conflict with yours, then leaving may be the best answer.

Balancing personal ambition with shared ambition deals with the mutual concordance of the Personal and Organizational Development or individual versus collective learning.

Invisible Behavioral Pattern	Motivation	Organizational Reasons for Existence, Identity, Intentions, Values, and Interests
Higher Level of Consciousness Personal Intentions, Identity, Ideals and Values	Self-guidance Enjoyment	Collective Behaviour
Personal Driving Force/ Inner Needs	Motivation	
Self-image and Self-knowledge	Participation Energy Added Value, Win-win Inner Involvement Ethical Behaviour	

Figure 4 : Balancing Personal Ambition with Shared Organization Ambition

6.5   SYSTEMS OF TRAINING AND ORGANIZATIONAL DEVELOPMENT

The Changing nature of Development

Traditionally, training and development has been focused on 'courses', however, with the growth of outcome – or competence- based development, many changes area taking place. The focus is shifting to competence and 'competences', referred to in the USA as 'competencies'. The concern in the UK has therefore shifted from the process of training and development to the assessment of the outcomes of such development. This is just one of a number of differences between traditional and competence-based qualifications or award. The major features are listed below.

Exhibit 5

Traditional	Competence -based
Time-bound	Open-ended
Norm-referenced	Criterion-referenced
Percentage-rated	Not percentage-rated
Input-based	Outcome-based

The assumption behind these time-bound is that everyone learns at the same rate, and if they do not, then they will just have to work harder to catch up, or fail. Some examination-based qualifications allow a 'second sitting' if your fail a set assignment or examination, but for others no second change is given.

Outcome-or competence-based qualifications or award are open-ended, in that each individual learner proceeds at their own pace. This focus on the individual can result in very different patterns of progress through the qualification or award. It also recognized existing skill and knowledge so that those who are more experienced in particular aspects of the award can progress more quickly through those areas. This can result in learners being more motivated as they are not having to sit through a training session on something they can already demonstrate competence in.

Norm-versus criterion-referenced

Many traditional qualifications, awards or training interventions are graded on the basis of how well you have done   compared to others in your group, set or class. This is norms referencing. The standard is set by the range of performance of the group. How well your individual performance is related depends on the performance of everyone else, as there are no objective standards of measurement.

Outcome or competence based assessment depends on how well you have performed against a clearly specified set of objective standards. This is criterion referencing. It means that there are specific criteria against which the individual learner is measured. It does not depend on the performance of other people. As you can see, there are great benefits for both the learner and the trainer as the standards and not their performance judged against the performance of others that is being assessed.

Percentage-rated or not

Percentage-rated or pass/fail assessment are common in traditional courses or training interventions, and some are not formally assessed at tall. This factor, added to the time-bound nature of the majority of programmers plus norm-referencing, can result in a higher failure rate than is justified.

However, outcome or competence based assessment relies on only three categories.

ı   Competent;

ı   Not yet competent;

ı   Insufficient evidence to make a decision

Input vs outcome-based

The emphasis on traditional programmes has usually been on inputs. By that I mean what the trainer and learner do and the syllabus or scheme of work, and this has largely been under the control of the trainer. The programme for the training intervention has been set and all the learners following a particular award or qualification have followed it. The outcomes have generally been variable as a result of the factors outlines above.

The focus on outcomes, however, clearly identified at the beginning of a programme or award, means that the emphasis is on individual learners and their progress. As a result of this not all learners will require the same inputs and individual learning plans are drawn up for each learner. These learning plans identify areas for development and the processes that are required to support that development. This requires different kinds of support from the trainer and others involved in the development process.

With these shifts in emphasis the whole nature of training and development is changing. That is not to say that the principles on which traditional training and development is based have change, i.e. identify the need design the intervention; deliver the intervention; then evaluate the outcomes. What it does mean is that there are some additional tasks or process required as a result of this shift. As a consequence trainer, consultants, line managers, training managers and others involved in the human resource development process are themselves having to develop new competences in order to support learners who are undertaking competence-based qualifications or awards.

The Format of Standards

In the UK there is a new system of qualification leading to a National Vocational Qualification (NVQ). In Scotland they are known as Scottish Vocational Qualification (SVQs). The follow the same format and are constructed from competence-based standards. An NVQ is:

A statement of competence relevant to employment. It is this statement which specifies the competence to be achieved… It is the basis from which assessment procedures, recording and certification are derived. (NCVQ 1988)

NVQs are comprised of a number of units of competence and each unit contains the following:

ı   Elements;

ı   Performance criteria;

ı   Knowledge requirements;

ı   Performance evidence.

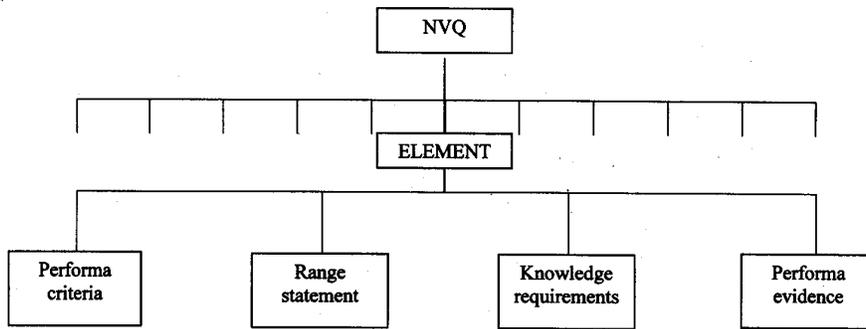These components will not be addressed in more detail using the information in Figure 5 as an example.

Figure 6: NVQ Structure

Exchange Information to solve problems and make decisions advice and inform others

Performance Criteria:

a) Advice and information to aid and assist others is offered and disseminated at an appropriate time and place.

b) Information given is current, relevant and accurate.

c) Information is presented in a manner , and at a level and pace appropriate to the receiver.

d) Advice is consistent with organizational policy and cost and resource constraints.

e) Advice is supported, as appropriate, by reasoned argument and evidence.

Range Indicators:

Advice and information is offered:

l   Proactively with the manger taking the initiative

l   On request

Advice is based upon:

l   Knowledge

l   Expertise

l   Experience

l   Position in the organization

Advice and information is given to:

l   Immediate manager

l   Colleagues, specialists, staff in other departments

l   Customers

l   Suppliers

Advice and information is given:

l   Verbally (either one to one or in groups)

l   In writing

Performance Evidence Required

Evidence must cover the following items from the range:

l   Advice and information offered proactively with the manger taking the initiative

l   Advice and information given verbally and in writing

Evidence of advice given to:

the immediate manager

colleagues, specialist and staff in other departments

suppliers

Other Evidence

Reports, manuals newssheets, articles, videos and audios/visual materials; supported by extensive witness testimony from line manages, colleagues, subordinates, customers and suppliers. This may be drawn from experiences and practices in a role as advisor to decision makers.

In the absence of sufficient evidence from performance alone, personal test/ simulations or questioning to be used to gain additional evidence of presentational skills and understanding of the principles, methods relating to:

ı   Seeking and exchanging information, advice and support

ı   Organizing and presenting information

ı   Presenting a logical and clear argument which addresses the needs and priorities of recipients in a variety of situations.

Element

This is the smallest part of competence that can be assessed as part of an NVQ and it is a sub-division of a unit of competence. The element is indicate exactly what is expected in terms of outcomes. It is a description of something that someone actually does in that occupational area (see the beginning of Figure 6).

Performance Criteria

Without performance criteria the requirements of the element could be interpreted in many ways. Performance criteria indicate the standard of performance required for he successful achievement of the element of competence. They are statements by which an assessor can judge whether or not the evidence of performance generated by the individual demonstrates competence in the activity specified by the element. They are therefore explicit statements of the outcomes required.

Range Statement

These are also sometimes called Range Indicators, as in the example in Figure 6. They described the limits (or range of conditions) within which performance must be demonstrated for the individual to be assessed as competent. They act as a guide to the learner, the trainer or developer and the assessor and are designed to reflect the breadth and depth of a particular occupational role.

They therefore give explicit detail about the range of conditions attached to the demonstration of the performance criteria, and, thus, the element, and ultimately, the unit.

Knowledge Requirements

As different occupational standards often have differing layouts this may not be explicit heading. There is an assumption within the NVQ system that knowledge can be inferred from performance and the knowledge requirements are there to 'fill the gaps' that cannot be easily inferred. They could be viewed therefore as supplementary to the range statement.

Performance Evidence

This clearly states the evidence that the assessor requires in order to make a decision about your competence.

Training and the Organisation Development

Training does not occur in a vacuum. It's not something we can just take down for a shelf, use and put back again. Because of this there are all kids of things influencing what we do as trainers, when we do them and how we do them. This is because we all work within, or for, organizations, and organizations have different structures and different cultures. Here we identify the interaction between the organization and its people and what the implications of this may be for the training function. We begin this process by examining the cultures and structures of organizations.

You may already be familiar with the terms but if you're not. Then the definitions below will help.

Culture usually refers to the set of norms, values, ideas and beliefs held about the way things are done (nor not done!) in the organization. These things are often not written down.

Structure refers to the way the organization is organized. This included level of responsibilities, task allocation, decision-making, etc. It could be referred to as the map of the organization.

As if this were not enough, we also have to take into consideration that organizations are not just a collection of norms, values, departments or functions. They are actually made up of individuals. These may share the norms and values and belong to departments or functions but they are all unique. So not only do we have demands made upon us by the culture and structure of the organization, we also have to deal with people. We cannot afford, therefore, to look at training as simply something that we perform from day to day. To become more competent and therefore more effective as trainers we need to begin to look at wider issues and start asking some questions (see the activity box).

Activity A

Below are some examples of the kinds of questions we need to ask to begin to understand the context within which we train. Please try to answer as many of the questions as you can now, and add others that you would like to ask.

l   Why does my organization invest in training?

l   How important is the role of training in my organization?

l   Who decides what training is to happen, when and for whom?

l   Who benefits from my company's training?

l   What would happen to my organization if it didn't training?

l   How do the people we train feel about the training provided by our organization? Is it a punishment or a reward, a necessary evil or a right?

l   How is the training in my organization planned. It is systematic, does it help meet my organization's business objectives, has it got an adequate budget or does it seem to 'just happen'?

l   What role do I play in my organization's training?

l   What skills do I need?

Some questions in the box may have been easier to answer that others. There may even be some questions that you can't answer yet. As you work through the rest of this chapter however, you should gain a broader understanding of the role training plays in your organizations as well as the people and events that influence it. It also helps to involve other people in your organization who can provide you with this and other training-related information. This way you can bring to build up a useful network of contacts.

It is very tempting to look at training as something that you just do! It is much more difficult, and challenging, to look at why you do it. Looking at yourself as a member of the organization as well as a trainer will make it easier for you to do this.

The Organization Development Links with Training

Now this will help you begin to see yourself as a member of the organization as well as a trainer or consultant by introducing you to different kinds of organization cultures and structures. This will enable you to identify the prevalent or main culture present within your organizations. You will also be able to draw a map of your own organization based on your current experience and the models presented here.

How many times, in the course of your work, do you stop and think about the organization you are working in? Do you just take it for granted as something that is 'there'? Have you ever tried to find the rule book that says 'in this organization we do it this way'? The book that tells you how to relate to the people around you, how to deal with mistakes, whom you can talk to, whether you can have a cup of coffee at your desk. The list is endless. It is almost like a book of etiquette, except it is not written down!

This is also one of the most difficult challenges a newcomer to and organization faces, whether they are a new member of staff or a trainer from another department. And it is also difficult because, after a while, there are things you 'take for granted' because 'everyone knows that you don't stand talking in the corridors, or that you don't just have a cup of coffee when you feel like it'. But where does it say this?

This, in simple terms, is what is referred to as your organization's culture. In some books you will also see it referred to as the organizational climate. It is all the things you come to learn after spending time in an organization. On entering an organization for the first time you may be given introductory handbook and there will also be terms and conditions formalized in your contract of employment. These are the official rules of the organization has certain characteristics and you become socialized into them. By that I mean that you learn them as you go along until they become 'unconscious', and that is why they can be difficult to identify (see the Activity box).

Activity B

> Try to identify the 'unwritten rules' in your organization. It may help if you 'visualize' your organization by giving it a person' name or by likening it to a particular animal. Once you have done this you need to identify why you feel this way about it.
>
> You have probably identified quite a wide range of 'unwritten rules', some of which encourage you to do more than is contractually required of you and some that encourage you do to do less. Some examples include.
>
> l   Routinely working after 5 pm
> l   Being at you desk early every morning
> l   Not taking your full lunch break

- ı   Not taking coffee breaks
- ı   Taking work home
- ı   Not being 'off sick'
- ı   Going home early because it's Friday
- ı   Going to the dentist/doctor during work hours
- ı   Drinking coffee at your desk
- ı   Lunch takes as long s it takes
- ı   Being able to stop and speak to the MD
- ı   Wandering over the other departments to 'see what is going on'.
- ı   Always being available to your manager.

As you can see from this list, some 'unwritten rules' work in your favor, others are more prohibitive. Again, the kind of unwritten rules there are in your organization depends on the culture, so let us look at some of the different kinds of culture that can exist in organizations.

6.6   CULTURE WITH REFERENCE TO OD SYSTEM

Probably the best known work on organizational cultures is that of Charles Handy. He identified four major cultures:

- ı   The *Power* Culture
- ı   The *Role* Culture
- ı   The *Task* Culture
- ı   The *Person* Culture

Below you will find a brief explanation of each of these cultures which is derived from Handy's work

Power Culture

This type of culture is usually found in small entrepreneurial organizations. It depends on a central power source, on trust and empathy for its effectiveness, and on mind-reading, and personal conversation for its communication. There are few rules and procedures and little bureaucracy, as control is usually exercised by only one or two people. Decisions are usually taken by only a few people and are usually the outcome of the balance of power. This means that decisions are usually taken for political reasons rather than from logical analysis of the situation.

One of the benefits of this culture is that the organization has the ability to move quickly and can therefore react well to threat, danger or opportunity. It also places a lot of faith in the individual and little in committees. Individuals are judged by results and this creates a very competitive atmosphere. The organization is therefore ideally placed to manage change.

While it produces an organization that can react quickly to events, whether it reacts effectively will depend on the person or persons at the centre. The type of people who have best chance of survival in such a culture are those who are power-oriented, politically minded and risk-taking and who rate job security low on their list of priorities.

Role Culture of bureaucracy

This type of culture is often referred to as a bureaucracy. However, because for many in our society a bureaucracy is seen as something negative, role' is used here. As it

suggests, this type of culture is usually found in large organizations with many layers of levels to them. The organization is usually characterized by having specific departments or specialties, eg. Finance, purchasing, production, training, maintenance or servicing.

Work is controlled by sets of procedures and rules. There are procedures for specific roles, with job descriptions and a 'peeking order', procedures for communications, rules for discipline and grievance, promotion and staff development, etc. These specialties are co-ordinated at the top by a narrow band of senior management or an executive board and decision-making relies heavily on the rules and procedures.

The benefits of such a culture are best seen where economics of scale are required and the organization operates in a market where technical expertise and depth of knowledge or specializing are more important than creativity or cost. This type of culture does not respond well to change, however. It can be slow to perceive the need for change and even slower to react when the need is seen. It can offer the individual security and predictability with little personal risk, as there is little room for individual responsibility or autonomy.

Task or Natrix Culture

The task culture is job or project oriented and may be found where the market is extremely competitive, where products have a short life-span or where you may carry out more than one role in the organization. Control is difficult in this kind of culture and usually depends on top management allocating the projects, people and resources. Little day-to-day control can be exerted once they have been allocated, however, as this would be seen as 'breaking the rules'.

One of the major benefits of this culture is its adaptability. It does have some major disadvantages too. It cannot produce economics of scale or great depth of expertise and it is also quite unstable, particularly when there is a shortage of resources. Decision-making can be difficult. Despite this the task culture is the preferred choice to work in of most middle and junior managers as it focuses on group and team working and leadership skills.

Person Culture

This type of culture is quite unusual as it is found in organizations that are simply a group of people banding together to share resources while they all 'do their own thing'. Examples include accountancy partnerships, lawyers, dentists, general practitioners, independent training consultants and, sometimes, specialists within organizations. These last-named usually see the organization as something simply serving their own ends. Senior medical staff in hospitals are a good example of this.

The only rules and procedures are by mutual agreement and tend to be minimal. Decision-making is shared among the cluster of people making up this organization.

Your Organization's Culture

What you need to be aware of, however, when attempting to apply the models to your organization is that the four cultures outlined above are very much 'Ideal Types'. This means that they are unlikely to be seen ones, will show evidence of all four cultures. What is important is that you can identify the main or prevalent culture in your organization or even in different departments within the organization from the four presented above.

The key things you need to consider are;

l   Who holds the power?

l   What kinds of rules and procedures are there?

l   What kind of decision-making is there?

l   What are the benefits and weaknesses of the culture for your organization?

l   What kind of people does it best suit?

Activity C

Write a short report identifying the prevalent culture in your organization. It will help if you refer to the key questions listed.

6.7   STRUCTURE AND OD SYSTEM

Culture is not the only impact the organization has upon us. How the organization is structured can only have a major impact upon its people. It is also helpful to recognize how culture and structure related to each other and one of the easiest ways to do this is to look at the structures typical of the four culture types outlined above.

Power Culture = Web Structure

This type of structure has a central power source, with rays of power and influence spreading out from the centre, just like a spider's web (Figure6)

rchical Structure
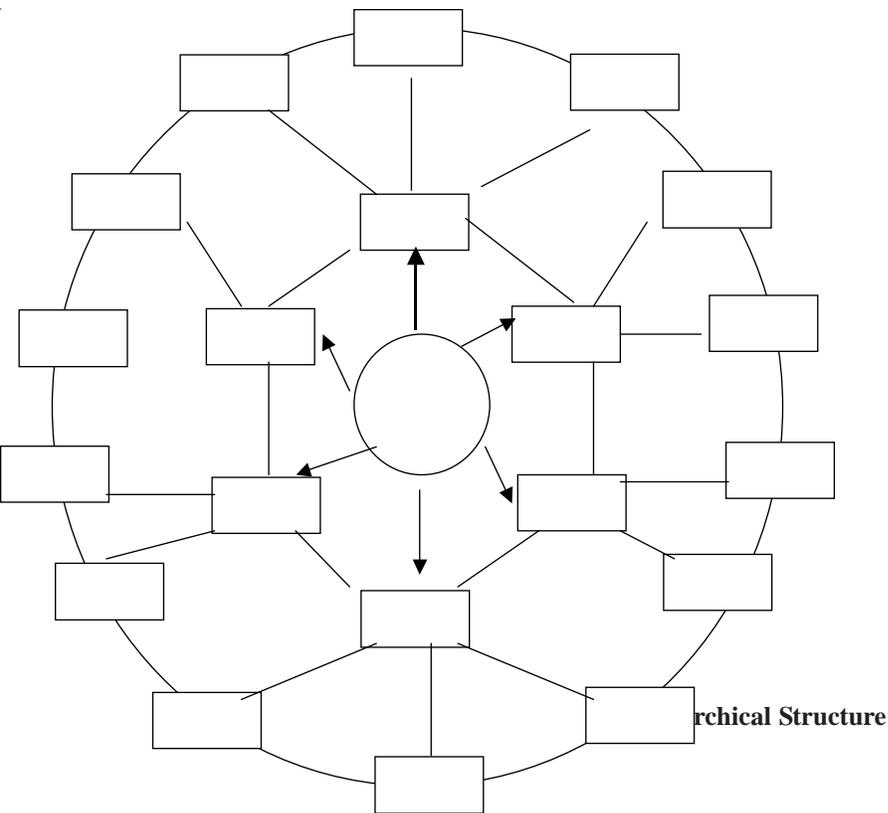
This type of culture could also be linked to a pyramid (Figure 7) a broad base of 'workers', co-ordinated by a lesser number of mangers, who are co-ordinated by fewer managers, who are co-ordinated by even fewer senior managers, who are controlled by an executive board. The pyramid gets narrower as you move up the organization's hierarchy.
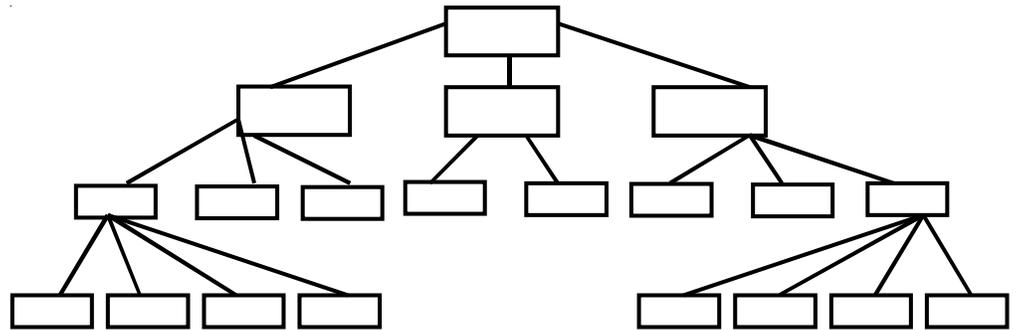

Figure 7 : Task Culture = Matrix Structure

In this kind of organization teams are brought together to carry out specific tasks while still having a line manager to whom they report (see Figure 8). A good example of this is a college. A college is split into a number of teaching areas, for example, accountancy, business studies, and marketing, and each of these areas has a head of department. But because the college is set up to teach a number of courses there is also a course leader in charge of each one.

If you are a lecturer you therefore report to:

a)   you head of department

b)   any course leaders whose courses you teach on.

It can get quite complicated sometimes through!

Figure 8 : Person Culture = Cluster Structure

As you discovered earlier, this culture is an unusual one (Figure 9).

There is a little formal structure s it is the minimum possible to support the work of the 'star' on 'star'. If you have a number of these stars clustering together it could also be referred to as a galaxy of individual stars. Even so, alongside it is supporting structure may have its own culture.
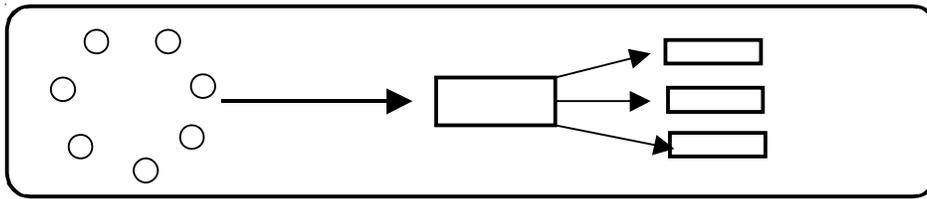
Figure 8 : Cluster Structure

Now see the Activity box. It is likely that the diagram you produce will bean only an approximation to one of the structure types outlined above. That is all right. What is important, however, is that you are able to indicate where you fit into that structure, because where you are placed in the organization will affect the contribution you can make to its decision-making process for human resources development.

Activity D

Using the information you have now on the culture of your organization, or the organization you are acting as a consultant for, along with the descriptions above of the kinds of structures of organizations, first of all draw the organization's structure, then write a brief statement on where you fit into that structure.

How is Training Organized?

For training and development to be successful it needs to be organized effectively. The organization needs to have and support a training department, or, at the very least, someone with dedicated responsibility for training within personal. It is essential to have and support a training department, or, at the very least, someone with dedicated responsibility for training within personal. It is essential to have a training policy and training plan and to allocate a realistic budget to the training function, and for training and development to be represented and supported at board level. It is also important to recognize that training is not the solution to all problems, and, indeed that it could sometimes simply exacerbate the situation.

Training is usually identified or associated with performance problems either existing or potential and therefore there needs to be a systematic framework to identify and support training interventions. (Tanning intervention is a term used to describe any training and development activity.)

Activity E

List the steps or state that you think are required for effective and systematic training.

In doing the Activity exercise (see the box), you could have listed some of the following:

1) Establish terms of reference.
2) Job analysis
3) Knowledge and skills analysis
4) Analysis of target group.
5) Training needs and content analysis.
6) Develop criteria for assessment.
7) Prepare training objectives.
8) Consider and select training methods.

9) Design and pilot training

10) Deliver the training.

11) Internal validation.

12) External validation and evaluation.

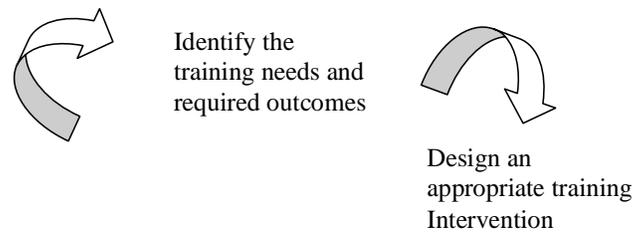These points can also be more simply represented by the 'training cycle' (See Figure 10)

Identify the training needs and required outcomes

Design an appropriate training Intervention

Figure 10: Training Cycle

The Training Cycle

In the UK the Training and Development Lead Body (TDLB) describes the key purpose of training and development as: 'To develop human potential to assist organizations and individuals to achieve their objectives.'

l It described systematically and comprehensively the compete training and development process;

l It is familiar in all sectors and to all parts of the training community;

l Most training and development roles can be located within it.

The training cycle has many applications and it based around the premise that we are helping people with current or potential performance problems. Subsequent chapters in this book look at each of these stages in more details but each on is considered briefly here.

Identifying training needs

Earlier performance problems, current or anticipated, have been briefly mentioned as the basis of many training interventions. The problems may be associated with an individual's current role or development towards a future one. Some many require major intervention, while others may be relatively minor.

The identification of training needs can help to improve performance as training is then a response to an identified and defined performance problem. If there isn't a performance problem then there is little or now justification for training.

Identification of training needs should therefore underpin all training and development interventions. But it is also important to remember that training alone will rarely wholly solve a performance problem. For training interventions to be successful it is also necessary to identify the non-training needs relevant to the performance problem and include them in any proposed intervention. These non-training needs are usually technology-or system-related.

Activity F

Briefly describe how training needs are identified in your organization.

Plan and design training

This step in the systematic training cycle is concerned with the most effective use of resources available to address the identified training need. Some performance

problems can be addressed using existing training provision; others require a new, innovative or creative approach involving specific planning, design and development.

The other major consideration at this stage is that any training interventions have to be planned within other constraints. These may be financial, resource, operational, staff availability, etc. but whatever they are, they have implications for the nature and scale of the intervention.

Planning a training intervention, whether it is for an individual or for a group of people, needs to focus on the outcomes required. The outcome is usually an improvement in performance; therefore, the training intervention is not complete until that improvement in performance is achieved. Increasingly, training is being seen in outcome teams and the focus is gradually shifting from the training process itself. This is where we, as trainers, need to be wary not to throw the baby out with the bath water. We still need to concern ourselves with the most effective process to achieve those outcomes, otherwise we risk a fall in the quality of our output.

With the increasing emphasis on measurable competence or performance capability we also to recognize that courses are not the only form of training intervention at our disposal. Courses may be part of a wider training intervention, but on their own they are unlikely to meet all the performance problem requirements.

The major features, positive and negative, of course are that:

l   They are usually of fixed length regardless of individual's needs;

l   They are usually designed for a number of people with similarly perceived needs;

l   They are usually general in focus and therefore not necessarily job or performance specifics.

l   In the short term they are usually cost effective.

The design aspect of training is simply the application of training technology to devising learning opportunities. If accurate and realistic objectives are set for the intervention then the design of the learning opportunity should closely match the achievement of those objectives. Now see the Activity box.

Activity G

> What kinds of training interventions does your organization or department provide? What for to they take?

The kind s of intervention you describe in the Activity exercise will obviously be quite specific in terms of their objectives. The form they take, however, will probably include some of the following:

l   Action learning

l   Case studies

l   Skills development

l   Team building

l   Experimental learning

l   Group meetings

l   Coaching

l   Mentoring

l   Job changes

l   Learning contracts

l   Action planning

l   Computer-based training

l   Self development

l   Job instruction

l   Distance / Flexible learning

l   Training courses

l   Development days

Implement training

The successful implementation of training depends on many factors. They include the accurate identification of the training need and the participants' recognition of the need for training. Also essential is management support to help ensure that the intervention is at an appropriate level for the participants and the performance problem. You can also maintain or increase participation through the appropriate selection of learning methods and by ensuring that the trainer/ developer possesses the right mix of training and technical skills to support individual learning needs.

It is often of vital importance that other members of staff are involved in the implementation process. In many cases the trainer will also be the line manger or technical specialist and without their involvement it is unlikely that satisfactory performance will be achieved quickly or effectively (see the Activity box).

Also of primary importance is the three way interaction between the objective, the method, and the learner, that is, what has to be learnt, the means used to learner, that is, what has to be learnt, the means used to learn it, and the participant / recipient. All too often mismatches occurs where one of these factors takes precedence over the others to the extent that the training becomes ineffective.

Activity H

> Who is involved in implementing training in your organisation?

Depending on your organization there may be a number of people involved. They could include trainers, consultants, the training manager, company directors, the learners themselves, customers, the personnel manager or personnel assistants and line managers.

Evaluation

This next stage in the training cycle is perhaps the most important one and also the one most usually neglected. It aims to answer the question: 'How beneficial has this intervention been? As the purpose of a training or development intervention is usually neglected. It aims to answer the question: 'How beneficial has this intervention been? As the purpose of a training or development intervention is usually to benefit the organization that is financing it, as well as the individual participating, we need to be able to as assess and evaluate the results obtained. In order to be able to do this we need to have made sure that we have designed the intervention in such a way as to produce measurable improvement. If we have clearly identified terms of reference with unambiguous objective we should be able to identify successful outcomes.

So what is success? It usually means that:

l   The learner or participant can do what is expected of them as a result of the intervention;

l   Their training or development needs have been met and any real or potential performance problem solved;

l   The organization's investment in training is seen to be beneficial and effective;

l   The trainer and the training department maintain credibility within the wider organization and may increase their power base.

Activity I

> How does you organization determine whether or not training has been successful?

There are a number of ways in which your organization may already measure the effectiveness of its training intervention (see the Activity box). These may include the following:

l   Learners / participants are asked to comment on the training they have received.

l   Managers are asked to assess any subsequent improvement in performance following the intervention.

l   The trainer/s assess the quality of the intervention and their performance.

l   Customers are asked for feedback on the effectiveness of the intervention against the agreed terms of reference and objectives.

It seems appropriate to look now at why organizations invest in training and who potentially benefits from it.

6.8 COMPETENCY BASED ORGANIZATIONAL DEVELOPMENT

Emerging from years of downsizing and restructuring, and with a new appreciation for the value of their human resources, many organizations are moving rapidly to embrace a new approach to the management of human resources (HR) processes: Competency Based management (CBM). CBM involves the management of key HR activities in an organization around a "competency profile" for the work to be performed. A competency profile describes the qualities needed by employees defined through behavioral descriptors, to provide optimum work performance. These qualities range from personality characteristics and abilities to specific skills and knowledge.

The advantage of CBM are significant. By linking HR activities in an organization around a "competency profile" for the work to be performed. A competency profile describes the qualities needed by employees, defined through behavioral descriptors, to provide optimum work performance. These qualities range from personality characteristics and abilities to specific and knowledge.

The advantage of CBM are significant. By linking HR activities through a common language and framework, by reflecting the values and mission of the organization and by establishing clear expectations of performance for employees, CBM integrated HR practices into the business strategy of the organization and maximizes the delivery of its services to clients.

Of equal advantage is the critical role CBM plays in guiding the learning and development activities of employees. CBM facilitates development through the tools for employees that address:

l   What it takes to do a job.

l   What an individual brings to the job.

l   What the gaps (learning and development needs)

l   What the activities (learning strategies and tools) are to close the gaps.

A large number of the departments and agencies that comprise the Canadian Public Service have also recognition the value of CBM and have initiated numerous competency initiatives within their organizations over recent years. While a positive trend, the result has also been a proliferation of different approaches, frameworks and vocabularies across the Federal Government, even extending to different competency models within the same department or agency.

As a consequence, this is the landscape, today, or competency activities across the organizations

l   More than 30 and possibly closer to 50, independent competency projects underway, each with its own approach and vocabulary (i.e competency descriptions, dictionaries, terminology, etc.)

l   Competency activities being carried out within departments and agencies (and sometimes at the same time, centrally) for the same community. Examples include HR and Computer Service profiles among others.

l   Department and agencies independently exploring significant sums of money and resources to arrive at essentially similar products.

l   Departments and agencies independently exploring and confronting issues related to the application of CBM to the various HR functions, but common to the Public Service as a whole.

The purpose of this is to clearly define the context and status of CBM as an HR approach, situate its use within the Federal Public Service and describes the issues that need to be addressed with respect to its growing applications across departments and agencies.

It is hoped that this will serve as the common platform on the basis of which key decisions can be taken by departments, agencies to ensure a more collaborative and focused approach to the implementation of CBM in the organizations

The use of the term "competencies", as applied to the world of work, is most commonly thought to have been first used by David McClelland, a psychologist, in the early 70s. At the time, he argued (McClelland, 1976) that conventional tests of intelligence and abilities did not predict job performance or success in life and that they were biased against different groups. He invented the term "competencies" to overcome these defects, suggesting that they made possible the development of valid and unblessed predictors of performance.

His approach included interviewing superior performers, identifying what they did differently from average performers and using the competencies identified for selection purposes. Competencies included motives such as "achievement orientation", traits and specialized knowledge or skills. McClelland's company, McBer eventually became part of a larger HR consulting firm. A number of prominent speakers on the subject of competencies, including Lyle Spencer and Richard Boyzatis, have their roots in McBer's work. The "iceberg model" of competencies, where "traits and attitudes" are shown as "below the waterline competencies" are commonly used by McClelland's successors.

McClelland's work came at a time when there was a focus in personnel assessment on cognitive ability testing and technical and skills testing with less emphasis places on behavioral assessment. McClelland's work stimulated a lot of interest because it placed greater emphasis on the personal qualities that contributed to job success.

Today, however, in spite of McClellan's claims to the contrary, there is strong evidence that tests of cognitive ability are among the best predictors of job

performance and that properly designed tests are fair to all groups in the population. At the same time, however, there is now a greater appreciation of the role of personal qualities in predicting job performance.

It is important to realize that the modern concept of competencies is closely associated with several well-established bodies of work that have been under study for more than 75 years – long before McClelland's work. These include the work carried out in the fields of job analysis and personality and human factors research. Much, in fact, that is written and discussed about competencies today is not new.

6.9   SUMMARY

To sum up, global business environment is like a dynamic volatile landscape of mountains and valleys that is being constantly reshaped by the business equivalents of earthquakes, volcanoes and erosion. It creates challenge for the organisation to sustain, the solution is continuous development. Formulation of organisational development plan involves balancing personal and organisational vision, mission, objective, plan, values etc. Training, culture and structure play a very important role in OD system.

6.10   SELF ASSESSMENT QUESTIONS

1)   Write an essay on the changing business environment.

2)   Discuss how OD plan is formulated.

3)   Describe the role of training and culture in OD system.

6.11   FURTHER READINGS

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Appendix 1

Core Questions to be Used when Formulating the Organizational Mission and Vision

Mission

Why do we Exist?

Who are we?

What do we do?

Where are we now?

For what purpose and why does our organization exist?

What is your Identity?

What is your reason for existing?

What is our primary function?

What is our ultimate primary goal?

For whom do we exist?

Who are our most important stakeholders?

What do we do what we do?

Which fundamental need do we provide? Ultimate primary goal

Primary function

Reason for existence

Stakeholders

The mission is not linked to a time horizon.

Whey do we work there?

Can we identify ourselves with the applied procedures and working methods?

Why do we find it meaningful and valuable that our organization exists?

What do we want to mean to each other and our surroundings?

Which value added to we want to deliver?

Vision Where are we going together?

What is the ambitious dream of our organization?

What is our vision of the future?

Where do we go from here?

What are our long-term ambitious?

What do we want to achieve in the long run?

What changes lie ahead in the business landscape?

What is our mutual image of a desired and reachable prospective situation, and what is the route of change needed to reach this?

What is decisive for our success?

Which factors make us unique?

What do we stand for? What connects us?

What do we want to be? What is essential in our attitude? And what do we believe in ? Developments

Ambitions

Core value

Critical success factors

Core competences

Vision is linked to a time horizon as well as to strategic objectives, performance measures and targets. Where are we going together?

What is the required long-term organizational perspective?

Important issues here include guiding personal ambitions and creativity, creating a climate for drastic change, self-guidance, strengthening the belief in the future and thus releasing energy, and strengthening single-mindedness and the unity of behaviour.