MANAGING ORGANIZATIONAL CHANGE IN THE 21st CENTURY

Edited by:

Dr. Veena Vohra and Dr. Sonali Narbariya

School of Business Management
SVKM's Narsee Monjee Institute of Management Studies
(NMIMS) Deemed-to-be-University

SVKM'S
NMIMS®
Deemed to be UNIVERSITY

Managing Organizational Change in the 21st Century

Volume Editor:

Dr. Veena Vohra

Associate Dean Academic, Professor
Department of HR and Behavioral Sciences, School of Business Management
SVKM's Narsee Monjee Institute of Management Studies
(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Co Editor:

Dr. Sonali Narbariya

Assistant Professor
Department of HR and Behavioral Sciences, School of Business Management
SVKM's Narsee Monjee Institute of Management Studies
(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Managing Organizational Change in the 21st Century

Preface:

Organizations today have to factor in a multitude of contextual dimensions as they respond to critical challenges. Crafting effective change responses to critical challenges requires a re-examination of organizational strategy, vision, key initiatives, change readiness as also several human factors related to behaviour, attitudes and culture. While studying past ways of managing change may provide important lessons, a more contemporary approach to understanding how to manage change in a context that is volatile and complex, becomes the need of the hour. This perspective served as a catalyst to the academic endeavour that you hold in your hand.

Welcome to "Managing Organizational Change in the 21st Century", a compendium constructed to illuminate the ever changing landscape in the realm of businesses. In this collection, we invite you to delve into a series of chapters that cover the intricate paths of organizational transitions. Each chapter serves as an exploration of how innovation, adoption, and resilience define successful change management. The chapters also highlight the after-math of failure of some change initiatives. These chapters may serve as a blueprint for organizations to navigate the dynamic currents of planned and unplanned change.

As we embark on this odyssey of change management, we gratefully extend our appreciation to those individuals without whom this book would remain an incomplete endeavour. Foremost, our sincere gratitude to Prof. Ramesh Bhat, Vice Chancellor, SVKM's NMIMS Deemed to be University, for entrusting us with this wonderful opportunity. A special appreciation to Dr. Mayank Joshipura, Associate Dean Research, School of Business Management, SVKM's NMIMS, Mumbai, for his unwavering support and guidance throughout the journey. A sincere thank you to Ms. Anubhuti Gupta and Ms. Saloni Rajendra Kaveri, Students, School of Business Management, SVKM's NMIMS, Mumbai, for their meticulous assistance with refining and formatting in the editing phase.

We invite readers to delve into and extract insights from the strategic transition manoeuvres shaping the landscape of organizations today. In this comprehensive exploration of organizational development, the chapters are meticulously arranged to guide readers through a transformative journey. The narrative begins with a foundational understanding in Chapter 1, delving into various organization

development journeys. Chapter 2 is an examination of leadership transitions within family-owned businesses, providing valuable insights into the unique challenges and opportunities inherent in such contexts. As the narrative unfolds, Chapter 3 addresses the critical aspect of navigating change in the volatile, uncertain, complex, and ambiguous (VUCA) world, offering strategies for effective change management. Chapter 4 introduces the agile approach, demonstrating its applicability in managing organizational change with adaptability and resilience. The pivotal role of Human Resources in driving change is explored in Chapter 5, focusing on change management and organizational adaptability. Corporate sustainability takes center stage in Chapter 6, highlighting its intersection with employee engagement for a holistic approach to organizational success. Chapter 7 follows, emphasizing the creation and sustenance of a culture of inclusion and belonging, crucial for fostering diversity and enhancing workplace dynamics. The intricacies of people-related considerations and integration in mergers and acquisitions are unravelled in Chapter 8, offering practical insights for successful transitions. Chapter 9 uniquely explores the readiness of blue-collar employees for widespread organizational change, recognizing their essential contributions. Finally, Chapter 10 provides a compelling case study on improving the quality of marginalized schools through organization development, showcasing the practical application of interventions. This thoughtfully curated sequence of chapters serves as a roadmap for readers, guiding them through a diverse array of organizational development topics with relevance and depth.

As we immerse ourselves in these chapters focused on managing organizational change in today's world, let us also envision the myriad possibilities that unfold when change is not merely managed but actively embraced and strategically leveraged for unprecedented growth and development. Organizational change journeys are intricate, fraught with challenges and occasionally turbulent. We hope this volume will serve as a guiding light, unveiling the path to successful change, offering insightful perspectives that inspire and enlighten minds.
Happy Reading !

Volume Editors:
Dr. Veena Vohra
Dr. Sonali Narbariya

Table of Contents

Chapter 1

ORGANIZATION DEVELOPMENT JOURNEYS

Veena Vohra

Associate Dean, Professor, Department of HR and Behavioural Science
School of Business Management,
SVKM's Narsee Monjee Institute of Management Studies
(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Payal Gupta

Director & CEO, Celebratory Network, Pvt. Ltd.

Abstract

Indian organizations have variously adopted organization development approaches and practices in the pursuit of enhancing organizational effectiveness. While these interventions and practices have met with varying results, not much is known about the experiences and insights generated by the organizational members in their developmental journeys. Any organizational development effort marks a significant investment of capital, manpower and several organizational resources. With ever shortening learning cycles in a turbulent environment, organizations can learn from the planned change management experiences of other entities. This book chapter attempts to capture the key features, insights and challenges experienced by diverse organizational members engaged in managing change, with the aim of integrating such learnings for practitioners and academia. In so doing, the book chapter addresses the significant gap of dearth of narratives on managing change by Indian organizations.

Key Words: Organization development, change, interventions

Introduction

The knowledge and practice of organization development is often thought of as emanating from theoretical models and frameworks on the subject. Thinking about change as a series of planned change efforts involving structure, processes, culture amongst other organizational dimensions, may lead to missing out on building holistic organizational narratives. While the latter is related to dominant perspectives such as structural functional perspective; multiple constituencies perspective; organizational development perspective; creativity and volition perspective, the perspective development process itself is limited by personal and organizational realities. This chapter draws from the experiences of organization development consultants to present key features, insights and challenges that stand as factors impacting the change journey and how perspectives within this journey are shaped up.

Key features

This section attempts to throw light on some of the key features of organization development assignments witnessed across corporate India. These key features include a broad canvas stretching across sectors and varied organizational challenges, beginning with a focus on People and Culture through the development of Middle Managers

The Manufacturing and technology industries have a sharp focus on developing in their middle manager segment the skills of giving effective feedback to their teams. Within these industries, organizations are working on building mentoring skills for their middle managers.

Another area of development seeing a huge uptake is Group Coaching. This trend has been on the rise since the pandemic for Middle manager development. One of the most common challenges for middle managers appears to be managing Gen Z employees. Middle level managers are often challenged by getting work done from Gen Z and meeting their needs for constant validation and appreciation. An additional area that challenges middle managers is how to tackle the issue of work from home as apparently it is not bringing out the required productivity levels.

Indian organizations are slowly moving towards responding to the diversity, equity and inclusion aspects. However, while being gender inclusive may be an aspect of the vision, yet in organizations that are seen as male dominated (manufacturing, power and gas) the challenge is finding women who are ready to live in the interiors and work in projects which require physical strain such as climbing up a tower.

Firms in the financial services sector are consciously making quick strides in the DEI space, and the focus areas from the perspective of organization development and change are being inclusive of varied types of diversities – the complete gender spectrum, special abilities, regions, languages. However, interventions are not yet focusing on the issue of generational diversity, despite it presenting a challenge to organizational effectiveness.

Anecdotal evidence demonstrates that organizations engaging with enhancing their diversity quotients as a tick box activity without the accompanying behavioral and cognitive shifts leads to cases of negative emotions such as anger in the male employees. Ineffectiveness increases in teams when the male employees assume that preference is being given to women due to the demands of being seen as a diverse organization rather than on the basis of merit. A related dynamics is evidenced when the women in the team feel discounted for being referred to as "diversity candidates" rather than meritorious candidates.

Insights
Organization development efforts across corporate India highlight interesting organizational realities. These realities provide a variety of insights that can help organizational development practitioners to better understand how to design interventions for organization effectiveness. A significant phase of organization development is data collection, which lays out the internal dynamics of any organization for the consultant to diagnose. The data from organizations undertaking diversity initiatives points towards distressing insights. Women engineers may be hired but are not allocated jobs for which they are hired. They are in several cases denied challenging jobs and asked to stick to "desk jobs". Managers are seen to be consistently preferential towards male subordinates often placing them ahead of women subordinates for growth opportunities. Consultants hypothesize that this may be happening because as managers are

possibly operating with the Performance Bias and stereotypes of social roles. Performance bias is based, on deep-rooted—and incorrect—assumptions about women's and men's abilities. We tend to underestimate women's performance and overestimate men's in the corporate setup. Additionally, OD consultants data collection efforts reveal an overarching attitude of constantly questioning women's capability to perform jobs after a break, e.g., after returning from maternity break or post marriage. Other organizational mindsets evidenced include an unfavorable opinion of women leaving office on completion of office hours leading to a question on their commitment. On the contrary male employees working till late often find favour.

OD consultants working to enable a vibrant inclusive culture have found that women are often unable to create a bond with peers due to the demand of social roles. E.g., men are able to take time and go out with other male colleagues at the end of the workday, whereas women have other responsibilities and need to get back home. It prevents them from creating a bond with their colleagues.

An important insight here is that a systemic focus can vitalize change efforts focused on creating inclusion. The systemic view integrates interventions that focus on the individual, interpersonal and group levels. Diversity and inclusion focused OD consultants emphasize the sensitisation of managers to communicate and behave professionally, as also building a culture that checks microaggressions and enables awareness of how to deal with gender diversity at the workplace. Interventions designed to help managers provide feedback free from stereotyping as also conducting healthy confrontational conversations have been found to be effective.

Large scale change and transformation OD efforts extend over a long time period. Insights generated from such large scale projects are unique and distinctive, centering around few key dimensions. One of these dimensions is the client consultant relationship. In a project there are levels in the client system, like Edgar Schine described:

- o Contact Clients--The individual(s) who first contact the consultant with a request, question, or issue.
- o Intermediate Clients--The individuals or groups that get involved in various interviews, meetings, and other activities as the project evolves.

- o Primary / sponsor Clients --The individual(s) who ultimately "own" the problem or issue being worked on; they are typically also the ones who pays the consulting bills or whose budget covers the consultation project.

An interesting insight is to keep these types of clients in mind, to understand who is the decision maker or then who is the client who will run with the project and whose voice has to be included at the contracting stage. E.g. In an assignment with a client system, where the consultants were to design a large scale development intervention, they realized that there were four clients in the system, who were interested in the outcome of this project, and so at the contracting stage, the consultants asked to meet with each one of them, to know, if their needs could be met in this project. Interestingly it was discovered that:

- o The Learning Head who also the Sponsor Client – was keen on understanding the impact of this project on all Zonal heads
- o The CHRO – was keen on understanding if the assumption she held was true for the Zonal head group
- o The Group CHRO – wanted to know, if the Zonal Heads they had invested in, would demonstrate higher retention
- o Business Head – needed to know, how their productivity increased post the developmental intervention.

Each of these stakeholders had an interest in the project outcome and so, as for the consultant, it became essential to know this at the start of a project, to bring more clarity to the scope of the project.

Another interesting insight from large scale projects is the importance of building credibility in the client system for the consultant. A consultant gets a project due to the need for support and the perceived credibility, yet the consultant has to make sure the credibility is deepened continuously. OD consultants have to always keep ahead of the client, developing the client systems capability to see trends that they are required to respond to. A high degree of the consultant's credibility leads the client system to reach out and ask for support in, often reaching out to ask for some support in areas of vulnerability. Requests for help often include:

- o I don't know how to equip myself and learn this
- o My colleagues are pushing back on the project and my role is getting impacted, how can I shift this
- o I have a red flag in this area, is it normal? what could be the possibilities?

Large scale change projects often include troublesome areas of interpersonal dynamics within client systems. While the team members remain entrenched in their conflicting positions, the consultant is able to perceive how these dynamic impact the project. OD consultants find themselves having (un-contracted) one-o-one's with project role holders to bring to their notice how they are cutting each other and there seems to be some challenge of working together and then a big mountain of unhappiness dissatisfaction of teaming up with this colleague comes up. Sometimes organizational members have shared that they cannot continue to work with specific team members, or that they will not allow a specific person to take forward their thought process. OD practitioners in such cases may work allowing time to pass deliberately. As a Practitioner invested in the project, the commitment made to the organization, requires them to try different methods, engage with the involved parties and get them to talk with tri-party support. Sometimes, the Project Sponsor may be invited to join in the project meeting and gently nudge the people concerned. In extreme cases, the OD consultants provide the feedback to the project sponsor, asking them to step in with a sharp focus while offering support and feedback.

In all of these above approaches, the intent of one's action is noted carefully and kept assiduously in the realm of *servicing the client system with the promises made.*

The diagnosis phase can be viewed as an intervention in itself. OD consultants often design the process of discovery in a way that generates awareness, reflection and insights for the stakeholder. So, often in conversations with the client system there is a realisation that the client system often doesn't know / understand enough about words like culture, DEI, leadership, coaching etc due to a lack of expertise. It is then a good idea to start with getting on the same page of what these jargons mean, give examples, so that the client doesn't feel inadequate or respond for the sake of it. Consultant's often have to work with the capability levels of the client system to enhance understanding of the focus area, and in a sense, train and educate along the way using examples to check in

for better results. Consultants can look at different ways to solve the issue. In the questions posed to the system, consultants can ensure there is sometimes taking a stand of one side, such that the respondent can share what they see, think and how they operate. On other occasions the consultant can talk about various possibilities and see what the respondent picks up on to continue the discussion. Importantly, consultants have found it important to keep checking in with the client system along the way through questions such as:

- o What should I have asked you, that you think is important to speak about in this theme / topic
- o How are you feeling, having had this conversation

Both these questions bring responses about insights and feelings of the client, post the conversation. It is noticed that clients want to go back and work more or know more about the focus area. The insight here is to take the conversations beyond the obvious in interacting with the client system.

Challenges

Organization development interventions span multiple dimensions and levels. The significance of OD interventions for enhancing organizational effectiveness has been long establishes. However, for an intervention to be successful, the OD consultant has to manage, motivate, interpret and engage consistently with a system of moving parts. Working to reduce resistance to change while helping the whole system envision a different future is almost always an uphill battle. Documenting and sharing some of the frequent challenges is a good way to surface and acknowledge what and how change consultants frame organizational situations embedded with problems. While many of the challenges are to do with the behaviour and cognition shifts, we have presented below unique phenomena such as Organizational memory and experiences that present significant challenges to the stakeholders involved in arduous change journeys.

Organizational Memory (OM) is leveraged by us in our daily work. Yet, OD consultants find that most organizations suffer from a lack of effective human mechanisms to retain OM, leading to rework, rescheduling, frustration, lack of clarity and more. When Organization Memory is effective it beautifully weaves

energy, passion, movement, aligning people and the disconnected parts of the organization. Explicit OM refers to the collective knowledge, information, and experiences that are stored within an organization's systems, and processes. Implicit OM refers to undocumented insights, conversations, rationale, feelings, intuition, tacit knowledge gathered over time.

Organizational Memory, is the history on which the organization is built. It includes, the past legacy and the legacy that is being created today for the future. Most long-term projects suffer the lack of effective utilization of OM. The missing link is stakeholder continuity. E.g. In a product development meeting the project anchor was sharing the product with changes that were suggested in the previous meeting and opened up the meeting by sharing, this is what the product looks like now. In turn, stakeholders started to share new inputs, new ideas and that the product was looking very different from what they had suggested earlier. The project lead was frustrated with these continuous changes. So, what's the missing link? *The reality is the stakeholders are visitors, the anchors job is to tie down the past and present agreements, the context it was agreed on, the purpose of the current dialogue, connecting the energy that emerges*. Knowledge creation is reached by the interplay of tacit and explicit knowledge in the organization (Nonaka and Takeuchi, 1995).

Another area where OM play a major role is when the people energy is not in alignment with the larger purpose. This OM is not registered and in the long run, such projects don't often succeed. Take Heena's case, she is the anchor to a huge project, which cost the company a lot of money, yet deep down she was not in alignment with it. As a consequence of this misalignment, she did not show up for meetings, closures did not happen, agreed timelines kept moving and people worked at the last minute. It looked busy but it really wasn't. Putting these patterns together one may notice in OM the implicit signs of why this project was stuck. It is the energy of key drivers. Connecting the implicit OM to the outcome is often missed out. When the organization neglects these parts the stuck-ness increases and one doesn't know what to allocate this to.

The actors in constructing Organization Memory in an OD project are:
- o The Anchor
- o Support team

    o   Decision Makers
    o   Bystanders yet Influencers

The reality is actors are visitors, and the anchors job is to tie down the past and present agreements, the context it was agreed on, the purpose of the current dialogue, connecting the energy that emerges.

Patterns of Organizational Memory

Effective	Ineffective
• Visible actions and Closures • Actors present in meetings • Dialogue and movements • Moaning / Celebration by all • Acknowledging key actors • One person takes charge and keeps everyone looped in • Trust within the actors • Effective Organization Politics	• Lots gets spoken, less visible action • Actions keep getting pushed • No Closures • Actors missing the meeting continuously / meetings rescheduled • Blame Game • Waiting for decisions to be made • One person takes changes everything

Source: Author's own work

Another challenge area refers to the Power and Politics dynamics during a large transformation project. As an OD Practitioner, we need to know the Power equation and the Politics of the system and also our relation to these power dynamics, one simply cannot ignore or stay away from it. The data we gather has immense power. On one such case with a client, the internal consultant was asked to share the data gathered for the OD Project, by the HR lead of the organization. The contracting of this project was done with the Business head and the HR team was not a part of any of the processes. So, when this data was asked to be shared, it was a surprise. The reason given by the HR leader was that it was a role requirement. The OD consultant had to probe the organizational memory and look for what had happened in this business, to the CEO of this business and or between this business and the HR lead. The finding was significant. The CEO was seen as a favourite of the Group CEO, being a very

strong leader in terms of execution, however her business had high attrition and it was difficult to keep this in check. Many HR leaders and peers of the CEO had a dynamic relationship with the latter, but no one could bring her to a space of conversation. She was also the only woman CXO. Slowly, the OD consultant realized what the data was being asked for - to fire the CEO. Interestingly, the HR head who asked for the data was not the primary or sponsoring client hence the OD consultant handled the situation by stating that the CEO would have to be marked on the email for the data sharing to happen, since it was a confidential data set. To which the HR lead responded, 'at this moment, let this be, I will come back to you, when I need this data, let us keep the confidentiality intact, since you have contracted for it'

As an OD Practitioner, one has to be in awareness of these dynamics. While personal beliefs about politics may exist, if one is a part of an organization, then one is already a part of the politics of that system. Yet, how one becomes a part of it and what one does with it, is important. Many a times, OD consultants have to work with lobbying, gathering support for a change effort and hence help a project move, gain visibility. In every (so called) political move, as an OD consultant one can check with oneself about what one is in service of. This may lead to the development of a new belief system about politics, 'when in service of the goal / greater good / organization, politics is functional'.

Conclusion

This chapter articulated the essence of varied OD journeys within corporate India. The authors have attempted to present how perspectives are shaped based on the context and the experiences of the consultant or client system embedded within that context. These experiences are captured as key features of change efforts, insights that are emanating from different situations and challenges that stymie OD efforts. With a focus on enhancing understanding about how organizations function, this chapter has highlighted how important it is for OD consultants today to work with learning needs of critical management levels, power dynamics in organizations, organizational memory processes and inclusion building practices.

References

1. French, W. L., Bell, C. H. & Vohra, V. (2005). *Organization Development: Behavioral Science Interventions for Organisation Improvement.* Dorling Kindersley (India) Pvt .Ltd.

2. Nonaka, I. & Takeuchi, K. (1995). The Knowledge Creating Company. New York, NY: Oxford University Press.

Authors' Profile

Dr Veena Vohra is Professor – Human Resources and Behavioral Sciences and Associate Dean (Accreditation, Ranking, Industry, Alumni) at the School of Business Management, NMIMS, Mumbai. Veena's doctoral thesis focused on Leadership in the context of organizational environments of varying change. Veena has received several awards for her teaching and service. Her research, consulting and training interests lie in the domains of organizational behaviour and change management, leadership and emotional intelligence. Veena combines pedagogical expertise with conceptual knowledge to develop client centered learning solutions for performance enhancement. Veena has published several research papers in national and international journals, as also co-authored several books on organizational development.

Ms. Payal Gupta is the CEO and Director of Celebratory Network. She also holds the role of Director for the ISABS OD Certification Program. As an Global Applied Behavioral Science Professional and Practitioner, her work in OD focuses on Organization Culture, Diversity-Equity-Inclusion,

Conflict Resolution, Leadership Alignment. She uses different methodologies like Systemic Constellations, Human Process Labs, Large Group Interventions, Appreciative Inquiry, Deep Democracy and more as ways of working with Organizations and Family businesses to nurture the desired Culture and Leadership.

Chapter 2

LEADERSHIP TRANSITION IN FAMILY-OWNED BUSINESSES

Bijayinee Patnaik

Assistant Professor, School of Business Management

SVKM's Narsee Monjee Institute of Management Studies

(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Abstract

A significant event in the life of an organization is when transitions happen. And especially if the transition is a leadership transition, it becomes critical and the success or failure of this transition can impact the organization in more ways than one. In a perfect world, family businesses will transition leadership from one generation to the next along a predictable and well-planned process — whether that's determined within the business, the ownership group, or the family itself — passing the baton after years of preparation. But more and more families are discovering that their transition experience doesn't follow that path. For reasons ranging from unwillingness of the current leader to give up power, to reluctance of the next generation to engage beyond financial gain, to internal conflicts within the family on succession decisions coming in the way for a smooth transition, the process of leadership transition in family-owned business faces more obstacles than one. This chapter examines the importance of leadership transition in the context of family businesses. It seeks to provide a step-by-step guide using the Kotter eight steps to change management, explaining how leadership transition from one generation to another in family businesses can be managed more effectively.

Keywords: Leadership transition, succession planning, change management, family business

Leadership Transition in Family-Owned Businesses

Introduction

Family-owned businesses, henceforth known as FOB's, are the backbone of most economies, accounting for 60-85% of private owned businesses. They also generate millions of jobs and contribute significantly across all sectors in the economy. According to the EY and University of St. Gallen Family Business Index indicates that FOB's contribution is so significant that if they were a national economy, they would be the third largest among the club of 19 "trillion-dollar economies3" that exist in the world, after the US and China.

BCG has defined FOB's using two criteria's: the family must own a significant share of the company, and be able to influence important decisions, particularly the choice of chairman and CEO; and there must have been a leadership transition from one generation to the next or, in the case of a founder owned company, plans for such a transition.[1]

It has been seen that most FOB's are resilient, are aggressive, are more agile and take quicker decisions as they are not weighed down by burdensome governance structures, take risky bets; all of which help them grow faster and reap investment benefits better. However, an area where they still have to do a lot better is Succession Planning.
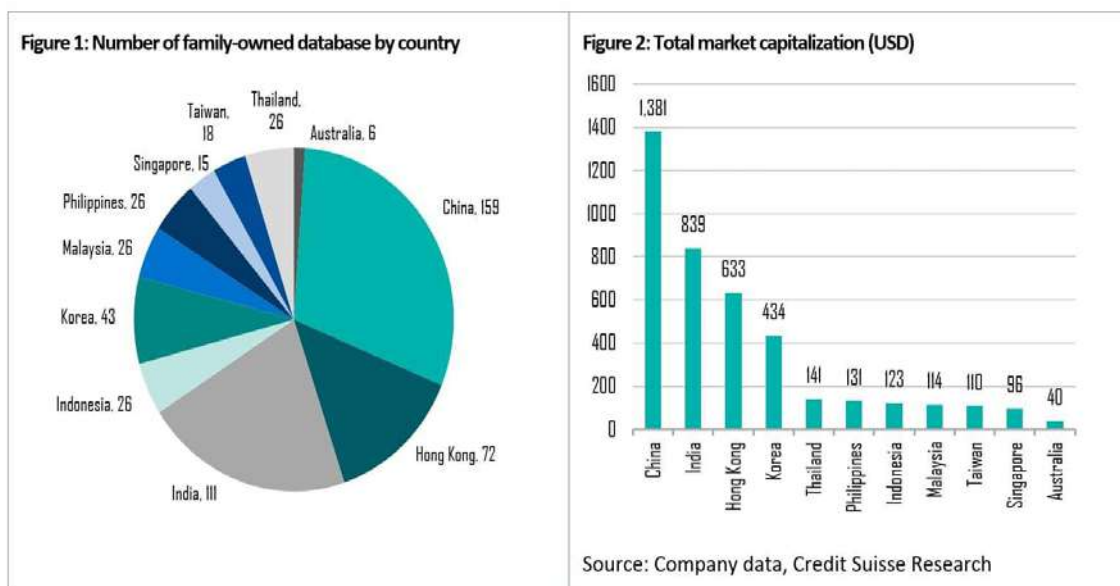
Image Source: (moneycontrol.com)

Defining Succession Planning

In Business, Succession Planning has been defined as the process of identifying and developing the talent already existing in the organization for future deployment. Succession planning is a business strategy for passing leadership roles on to one or more other employees. It's a process that helps an organization prepare for the future and in that sense is a Business Continuity Plan.

Succession planning is essential to ensure critical roles in a company are not left vacant for extended periods or filled by people who don't have the skills or knowledge to perform in the role. Knowing who is next in line to fill senior positions and being able to mentor these people to become your company's next generation of successful leaders is crucial to maintain a competitive edge and team morale. Succession planning is the process of selecting and developing key talent to ensure the continuity of critical roles. It's about identifying top performers and potential leaders and mentoring and developing them so they can advance in the organization and move into top-level roles.

Succession Planning is done only for key and critical positions of the organisation. Only a few roles will be relevant to succession planning as their relative criticality of those roles to the business will be very high for organisation competitiveness and continuity.

A succession plan identifies future staffing needs and the people with the skills and potential to perform in these future roles. In the long term, succession planning strengthens the overall capability of the organization by:

- Identifying critical positions and highlighting potential vacancies
- Selecting key competencies and skills necessary for business continuity
- Focusing development of individuals to meet future business needs

Succession Planning in Family-Owned Businesses

However, in FOB's succession planning is different in a few ways. In a FOB,

Leadership Transition in Family-Owned Businesses

1. The successor to the leader is a family member, usually the children, and in most cases the son.

2. The leadership role is given/inherited rather than earned.

3. The successor/s are not held accountable to the same performance standards as that of employees.

4. They are given jobs and salaries that they would have never got had they not belonged to the family.

While having the right successor is critical to every business, in FOB's its more critical because unlike other businesses, the change of successor is not an option here. The heir apparent has to be from within the family and an outsider helming affairs is still not a norm. In such a scenario it becomes important for FOB's to manage the leadership transition from one generation to another, to ensure business continuity, create shareholder value, maintain trust of the board and investors. However, this leadership transition has to be a planned process and not left to chance or choice. So, the question is how can FOB's create a process of planned succession transition, which will leave no room for shocks or surprises later. A planned change is a set of activities that are intentional and goal-oriented to achieve the objective. This requires a change approach which is a sequence of steps that will take the FOB closer to a successful leadership transition. Of the many approaches, the Kotter's Eight Step Plan is a detailed approach for implementing change and the model can be used by FOB's to drive leadership change in their businesses. As any leadership change can come with its set of problems which can become an obstacle in the change process, Kotter's established eight sequential steps to overcome these problems.

Who is responsible – The stakeholders in this leadership transition process are the Board, the current leader, the identified heir, family members, key employees in functional leadership positions in the organization.

KOTTER'S EIGHT-STEP PROCESS FOR LEADERSHIP TRANSITION IN FAMILY-OWNED BUSINESSES
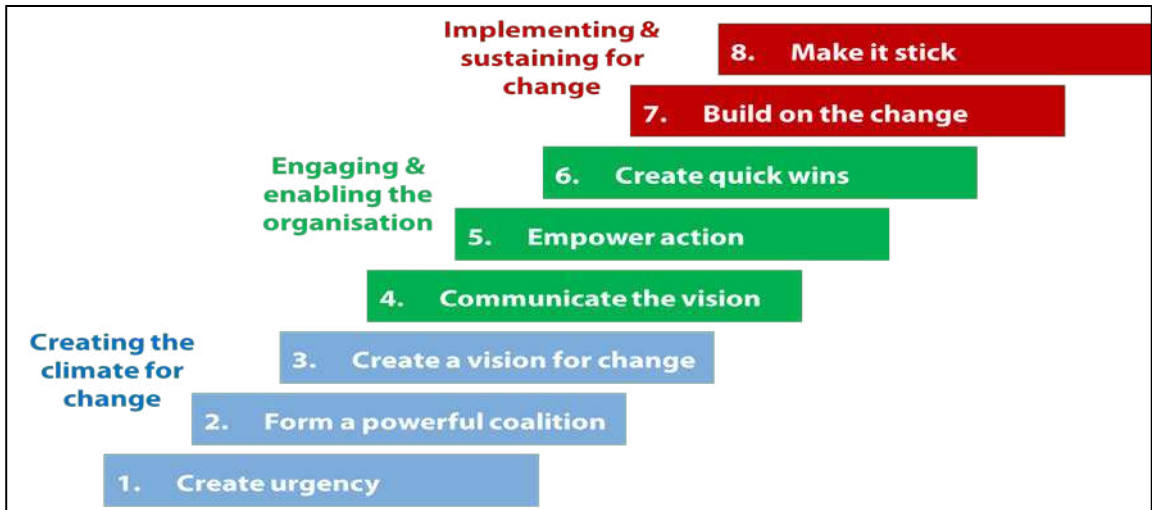
Image Source: Change Management Tools: Kotter's 8 Step Process - (solitaireconsulting.com)

1. **Create a sense of urgency**

The process of Succession Planning begins with creating a compelling reason why the leadership change and transition is needed. Its important for the existing leader, the identified heir and all stakeholders to acknowledge the fact that even though the process remains inside the family, it still deserves the same amount of diligence and seriousness. Hence, much early on before the current leader is retiring, the transition process should begin with every stakeholder creating an urgency for the process. While all stakeholders have a role, the most critical role at this stage is that of the board of members and the current leader.

*Role Board of Members***:** Succession Planning as a process is primarily the responsibility of the board of members. Boards must grow beyond their baseline responsibility and play a more proactive role in succession planning. Korn Ferry a global management consulting firm advises that organizations where the board had been actively engaged in CEO succession and composition of leadership, have had an immense impact on the quality of leadership identified. For example at Godrej Consumer Products, a Godrej Group Company, the

smooth CEO transition, when Vivek Gambhir replaced Mahendran, saw the board taking on a proactive role in this process. "A board can make or kill a company. Key role of the board is to make the CEO perform better," said Harsh Mariwala, chairman of Marico Ltd. The board should create a sense or urgency and initiate the conversation of leadership transition from one generation to the next as a critical business need, way ahead of time. The board will:

- Help identify the most eligible heir in cases of more than one child.

- Help design the transition plan

- Identify members of the board who will have primary responsibility of this transition

- Finally, and most important is to create a Governance Mechanism of the transition.

Role of Current Leader: The current leader's mindset plays a critical role in the leadership transition to the next generation. In many cases the unwillingness of the leader from the current generation to relinquish power to the next has been a reason for many a failed succession and organizations. The founder does not trust the next generation to take on the responsibilities of the business, and the next generation does not get the empowerment to do so. The dilemma is that these two sides of the same coin are the most important characters of the leadership change script.

A good way to handle this friction is to create a co-designed transition plan. With the help of the board and family business consultants, the family can design a transition plan that will help both sides make this journey with the least possible hurdles. The advantage of a transition plan is that it will have milestones of the entire transition journey. The transition plan can have:

- Articulation of consequences of both success and failure of this transition

- Role and responsibility of both the current leader and the heir

- Milestones that each have to achieve individually and as a team within in a given time frame. These milestones will help each stakeholder track

2. **Form a Coalition**

The step involves creating a coalition with enough power to lead the change. The Guiding Coalition is, in many ways, the nerve center of the 8-Step Process. It can be different for different organisations, but must consist of members across functions and must have representation from multiple layers of the hierarchy of the organization. It is not possible only for the board, the current and the next leader to make this transition. It will need commitment from multiple stakeholders. This is done by the guided coalition which consists of respected people from different areas and levels of the organization who have the ability to contribute and will play a crucial role in the transition. The next generation leader can work with members of the Guided Coalition over years to develop the Knowledge, Skills and Attitudes to run and lead the organization once the baton has been passed. What will make the Guided Coalition?

- The choice of who will constitute the Guided Coalition. There should be diversity of level, function, tenure and age in the Guided Coalition.

- A commitment from the next generation leader to work across hierarchy with respect and energy.

- A commitment from the Guided Coalition to not look at the next generation leader as an entitled candidate who is getting the position due to inheritance and not merit.

- Create a mechanism where the Guided Coalition can give honest feedback to the all stakeholders with fear.

3. **Create a vision for change**

Here the leader creates a vision for the transition and designs strategies for achieving the vision. The strategies are nothing but the infrastructure in form of strategic initiatives, needed to make the transition happen. Kotter defines strategic initiatives as targeted and coordinated activities that, if designed and executed fast enough and well enough, will make your vision a reality. What

could be these strategic initiatives? They can be any of the below but not limited to:

- Creating a transition plan based on SMART principles, focusing on actions and initiatives
- Design the development plan with HR and consultants specializing in this field
- Tying positive and negative reinforcements to make the transition plan happen
- Motivating every key stakeholder to do their bit in the leadership succession

Its important to have the vision for change because in FOB's, as the current leader and the next generation leader are always present, it could lead to a complacent behaviour from both sides. This behaviour will become a roadblock and delay the succession journey.

4. **Communicate the vision throughout the organization:**
Once the heir is identified and the transition plan has been put in place, it important not only for the key stakeholders to know of this, but its important for this communication to be made to the entire organization. Irrespective of the size of the FOB, a change of leadership is a time of anxiety and insecurity for employees. In the case of long standing and tenured employees, this could be even more given that they have been used to a way of working which closely resembles the working style of the current leader. For the rest of the organization its about transparency. Why is it important to communicate the decision of leadership transition?

- The employees can be active participant in this leadership succession journey. Active participation can translate into a strong buy-in from employees, which will make the transition, especially for the identified heir easier.
- They can provide valuable inputs on the behaviour and attitudes of the successor from day-to-day observations and/or interactions

- By communicating the leadership succession decision to the rest of the organization, one infact creates an "army" of people to recognize the effort and make it happen.

5. **Empowering Others:**

Empowering others involves removing barriers to the leadership change process. How can barriers be removed? What could be the barriers that a leadership transition can have in a FOB and how can they be removed?

a. One of the biggest barriers in the unwillingness of the current leader to give up power. History has seen many cases of leaders who have found it difficult to give up their role. So why is letting go so difficult? The reason could range from lack of trust in the next generation, perceived change of status once the CEO position is gone, sudden loss of power, reduced ability to influence and achieve big results etc.

The board and senior leadership, especially the ones who have been in the system for a while, play an important role in this case by initiating the process and having conversations with the current leader and building a business case for the succession. A willing leader becomes the biggest champion of the transition process.

b. Reluctance of the next generation to take over. We see cases where many next generations show a reluctance to take over. Reasons for their reluctance could vary from not being passionate about that line of business, not ready for the demands that a self-managed business will have, lack of confidence or internal dynamics of relationship between the generations.

Lack of confidence and fear of the successor can be managed by first having a mentor and coach in place (which might either be the current leader, member of the board or an external coah) who will act as the sounding board of the heir. The other important thing is not put a pressure on hitting numbers, atleast in the first few years. This will ensure that the identified heir is not bogged down with pressures on numbers

and is focused more on the learning process of understanding business and the complexities of it. Also, involving the successor in a few crucial decisions will work both as a glue and buy-in. Finally at a family level, they have to ensure that internal conflicts are kept outside of business. Most leadership transitions, especially where there is more than one kid involved, could face obstacles, especially from the one or ones who got sidelined. The board also has to clearly outline the role each sibling will play during and post the leadership transition so that there is complete transparency of what is in store for each of them.

c. Lack of faith and trust in the successor by majority of the stakeholders. Given the notion or inheritance rather than merit, it is difficult to gain the trust of key stakeholders. Trust will need time and will depend on how transparent the current leader is and how willing and able the next generation leader is with regards to work accomplishments. The sooner stakeholders find evidence of ability, their trust towards the next generation leader improves.

6.   Create Quick Wins: This requires planning, creating and rewarding short term wins.

Succession Planning is not an event; it is a process spreading across multiple years. However, one doesn't wait till the end of the planned transition to see if it has been successful or not. The cost of a failure here is too high given that in most cases there is no back up created. It is assumed that one from the family will take over.

The importance of rewarding short wins is especially very important for the leader from the next generation. As they always have to fight the reality that the position has been inherited and not earned, celebrating wins when a milestone is achieve, boosts the confidence of the individual. It also works towards building an image of an emerging leader both inside and outside the organization. This will accelerate the development and impact the leadership change journey positively.

7. **Build on the change and sustain the acceleration.**

This stage is critical as small wins may lead to overconfidence which can be a slippery slope. Instead, the board, the guided coalition and the HR should press harder and use those wins as momentum to fuel the process of leadership transition. This will ensure that everyone involved continue to remain on the course of leadership transition for the entire duration of planned change. As said by Kotter, "if urgency drops sufficiently and momentum is lost, pushing complacency away a second time can be much more difficult than it was the first". Hence each stakeholder at every stage must be on the path to the transition progress.

Organizations can sustain the acceleration by:

- Revisit urgency after generating some significant wins. This will ensure that a few stakeholders who might have slowed down in this process, gain momentum again

- Get more and more people involved, as with fresh eyes you will find more barriers to be knocked down.

- Ensure the governance mechanism continues to guide decisions and actions.

8. **Reinforce the changes, by demonstrating the relationship between the new leader and organization success.**

To ensure that the new leader is accepted and succeeds, it's important that you define and communicate the connections between the new leader and the organization's success. What will make the new leader a success:

- The new leader is still rooted deep in the values and culture of the organization and displays the same

- The new leader must communicate constantly with all key stakeholders

- The new leader has to be transparent and respectful in his dealings

- The new leader still looks at the old one to mentor and guide

Using the Kotter's 8 step change process, family-owned business can effectively manage leadership change process from one generation to another seamlessly.

REFERENCES:

1. 2023 Family Business Index (ey.com)

2. Nand L. Dhameja, Samo Bobek and Manish Dhameja, Family Businesses: Need for Good Corporate Governance and Succession Planning, Journal of Management Research Vol. 22, No. 2, July - December 2022

3. What Makes Family Businesses in Emerging Markets So Different? (bcg.com)

4. Kansal Purva, Succession and Retirement Planning: Integrated Strategy for Family Business Owners in India, Vilakshan: The XIMB Journal of Management, Vol. 9 Issue 1 Mar2012

5. The 8-Step Process for Leading Change | Dr. John Kotter (kotterinc.com)

6. 'Boards need to play active role in succession planning' | Mint (livemint.com)

7. Renuka and Marath, Impact of effective governance structure on succession process in the family business: exploring the mediating role of management succession planning, Rajagiri Management Journal, 2021

8. Schell, Wolff and Moog, Contracts and communication among family members: Business succession from a contractual view, Journal of Small Business Management, Vol. 61 Issue 2 Mar/Apr2023

9. Hiebert Daniel, Emotional Attachment and Decision by Family-Business Owners to Seek Help from a Succession Planner, Journal of Financial Service Professionals, Vol. 76 Issue 3, May 2022.

10. Ben-Shaher, Carmeli, Sulganik and Weiss, Power and Dominant Coalitions in Family Business, Academy of Management Review, Vol. 48 Issue 3, July 2023

11. Barach, Gantisky, Ourson and Doochin, Entry of the next génération: stratégie - challenge for family business, Journal Small Business Management, 1998

12. Kerai, Marzano, Piscitello and Singla, The role of founder CEO and independent board in family firms' international growth: evidence from India and Italy, Cross Cultural & Strategic Management, Vol. 30 Issue 4 2023

13. Mahto, Cavazos, Calabro and Vanevenhoven, CEO succession game in family firms: Owners vs. advisors, Journal of Small Business Management, Vol. 61 Issue 6, Nov/Dec 2023

14. Manderscheid, and Ardichvili, A Conceptual Model for Leadership Transition, Performance Improvement Quarterly, Silver Spring Vol. 20, Issue 3/4, 2008

15. Organizational Behavior, Robbins, Judge and Vohra, Pearson Publication, 18th Edition

Author's Profile

Prof. Bijayinee Patnaik is an Assistant Professor in the HR & Behavioural Sciences Area at the School of Business Management, NMIMS. Prof. Patnaik is a MBA in Human Resources and Information Systems from Institute of Public Enterprise, Hyderabad. She has worked for more than a decade as an HRBP and in managerial roles in organisations like Virtusa Corporation and Mahindra and Mahindra Limited. During her corporate stint she has worked in the areas of Talent Acquisition, Talent Management, Capability Building, and Employee Relations She began her teaching career as a visiting faculty at NITIE (Now IIM Mumbai) teaching in their flagship program. She is a certified assessment expert and is a trainer in Managerial and Leadership Development to leading Indian MNC's, Public Sector Undertakings and Indian SME's. Prof. Patnaik has received the Teaching Excellence Award at NMIMS for driving innovative pedagogy focussing on student learning. She is currently pursuing her PhD in Management from School of Business Management, NMIMS.

Chapter 3

NAVIGATING THE STORM: CHANGE MANAGEMENT IN THE VUCA WORLD

Sonali Narbariya

Assistant Professor, Department of HR and Behavioral Science, School of Business Management, SVKM's Narsee Monjee Institute of Management Studies (NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Abstract

In today's fast-paced and unpredictable business landscape, organizations must adapt and evolve to stay competitive. The VUCA world, characterized by volatility, uncertainty, complexity, and ambiguity, presents numerous challenges for businesses. To thrive in this environment, change management has become a crucial tool for leaders and organizations. Therefore, this essay explores the concept of change management as a strategic response to the VUCA world, examining its principles, best practices, and creative approaches. The essay covers the VUCA concept, foundations of change management, creative and contemporary approaches to change management and best practices of change management. Finally, the essay provides a comprehensive guide on how change management can help in combating the VUCA world effectively.

Keywords: 'VUCA World', Change Management, Leadership support, Stakeholders engagement

Introduction

The global business ecosystem is characterized by a rapid change in demands and opportunities. Today organizations are continuously under pressure to

adapt to changing situations with regards to client demands, increasing usage of social media, development in policies & procedures, and so on. Therefore, a prompt adaptation to the constantly changing business conditions has been considered extremely critical for the success and survival of organizations. In the light of the ever-evolving business landscape, this essay explores the imperative role of change management in contemporary organizations facing the challenges of the VUCA world. The chapter unfolds with an in-depth exploration of the VUCA world's characteristics and strategies for understanding and coping with its dynamics and then delves into the foundational principles of change management, emphasizing leadership support, clear vision, stakeholder engagement, and effective communication. It moves on to introduce creative approaches to change management, including storytelling, gamification, and design thinking, and further exploring design thinking as a human-centered approach to problem-solving and Agile change management rooted in Agile methodology. The essay then outlines best practices in change management, emphasizing leadership commitment, clear objectives, stakeholder involvement, robust project management, training and continuous measurement. The chapter concludes by highlighting the evolving nature of change management as an essential tool for organizational resilience and competitiveness in an ever-changing world.

Understanding the VUCA World

"VUCA" denotes Volatility, Uncertainty, Complexity, and Ambiguity. This term was initially coined within military contexts to describe the unpredictable and chaotic aspects of combat. This term has now been embraced across various sectors, including businesses and leaderships. It accurately depicts the continually evolving and dynamic nature of the world we live in. Let's explore the meaning behind each element of the VUCA acronym:

Volatility: This denotes the scale and pace of environmental changes. In a VUCA context, substantial shifts occur swiftly. These are often driven by factors like technological progress, economic fluctuations, political changes, natural catastrophes, among others.

Ambiguity: In scenarios where ambiguity prevails, the inherent obscurity of meaning often makes it difficult to discern cause-and-effect relationships and

understand the repercussions of various actions. This ambiguity typically leads to a lack of clarity, necessitating careful interpretation, particularly when the meaning in such environments is not explicitly clear.

Complexity: This indicates that all the situations are intricate and multidimensional. In a VUCA world, problems and challenges often involve numerous interrelated and inter correlated components. That makes it very difficult to find simple, straightforward resolutions.

Uncertainty: Due to a multitude of variables and factors that are in constant flux, formulating long-term plans or prognostications becomes a challenging task. This situation is characterized by an inherent lack of predictability, marked by the difficulty in accurately forecasting future events or outcomes.

Understanding and navigating the VUCA world requires a shift in mindset and approach. Here are some key strategies for dealing with VUCA:

Resilience: Maintaining a positive outlook is very significant, along with learning from mistakes and overcoming hurdles both personally & within an organization. Capacity development is one of the key elements in building not only organizational but also personal resilience. This helps to see eye to eye with the problems one faces later in life.

Adaptability: To adapt to a dynamic environment it is imperative to develop a flexible mindset. This should include, being open to adjust plans in response to the changing external scenarios, embracing change as the only constant, and proactively learning new skills.

Collaboration: In a dynamic world (VUCA), collaboration cannot be hyperbolized. Working with individuals from different education background can bring diverse perspective and expertise, which can help when facing multifaceted problems.

Information and Learning: Stay informed about the latest developments in your field or industry. Continuous learning and staying up to date with relevant information can help make decisions that are more informed.

Navigating The Storm: Change Management in the VUCA World

Scenario Planning: Given the uncertainty of the future, consider multiple scenarios and prepare for a range of possibilities. This can help you respond more effectively to unexpected events.

Leadership and Decision-Making: In a VUCA world, leadership entails being decisive and the willingness to take calculated risk. Good leaders must make decision when the situation calls for it even if they don't have the complete information.

The Foundations of Change Management
Leadership Support: Change initiatives require strong support from the top leadership of an organization. Leaders must communicate the vision for change, set the tone, and lead by example. Their commitment to the change sends a clear message to employees that the change is a priority.

Communication Strategy: Effective communication is key. A well-thought-out communication plan should be always in place to keep everyone up to date about the change's progress. Not only that but reasons for the change, and how it will affect them. This plan should be timely, transparent, and tailored to the needs of different stakeholders.

Stakeholder Engagement: Involving and engaging all relevant stakeholders, including employees, customers, and partners, is crucial. Their input, concerns, and feedback should be considered throughout the change process. This helps build buy-in and reduces resistance

Clear Vision and Goals: It is crucial to have a clear and appealing vision for the future state. All parties involved should be informed of this vision in order to provide them a clear picture of the change's goal and course. Well-defined goals and objectives help measure progress and success.

Change Champions and Agents: The organization can advance the change by identifying and training change agents and champions. These people will be able to solve issues locally, support others, and act as advocates.

Training and Development: Employees must frequently learn new abilities or adjust to new procedures as a result of change. Providing appropriate training and development opportunities ensures that employees are equipped to navigate the changes successfully.

Change Readiness Assessment: Assessing the organization's readiness for change helps identify potential roadblocks and areas that need additional attention. It allows for adjustments in the change management plan.

Feedback Mechanisms: By putting in place feedback channels like surveys or recurring check-ins, companies may assess the change's impact and make the required corrections. Additionally, it gives staff members a forum to voice issues and make recommendations.

Risk Management: Identifying and mitigating potential risks associated with the change is critical. A well-defined risk management strategy helps prevent issues from escalating and derailing the change initiative.

Sustainability and Integration: For long-term sustainability, the change needs to be incorporated into the organization's procedures and culture. This entails making certain that the novel customs and conduct turn into the accepted standard.

Measuring and Monitoring: It is crucial to measure and track progress on a regular basis in relation to the set goals and objectives. It is imperative to employ key performance indicators (KPIs) to assess the change's impact and make data-driven decisions.

Celebrating Success: Maintaining momentum and motivation is facilitated by Acknowledging and appreciating small victories and milestones along the route. It highlights the advantages of the modification.

Creative Approaches to Change Management
Storytelling: Use storytelling to create a compelling narrative around the change. People connect with stories, which make it simpler for them to comprehend and accept the change. Tell success stories of people or groups who have accepted the change and seen benefits.

Gamification: Introduce elements of gamification to make the change process more fun and engaging. Create challenges, leaderboards, and rewards for employees who actively participate in the change initiative. This can create a sense of competition and motivation.

Visualizations: Utilize visual aids like infographics, flowcharts, and mind maps to illustrate the change process and its impact. Visuals are often more accessible and memorable than text alone, making complex information easier to digest.

Change Champions: Within your organization, identify and give authority to change advocates. These people can influence and mentor their peers to help them adjust, and they are ardent champions of the change.

Hackathons and Innovation Labs: Host hackathons or innovation labs where employees can brainstorm and develop creative solutions related to the change. Encourage experimentation and allow employees to pitch their ideas for implementation.

Reverse Brainstorming: Instead of brainstorming solutions, have a session where participants brainstorm ways to make the change fail. This can uncover potential obstacles and challenges and help in developing strategies to address them.

Art and Creative Workshops: To assist employees on coping with their varied emotions and to offer them a unique perspective on changes, consider organizing art workshops. Along with this, creative writing sessions, or sculpture making can also help. These endeavors can serve as a mean for expressing feelings and viewpoints about the change,

Design Thinking: Adopt design-thinking principles to understand the needs and desires of employees during the change process. This human-centered approach can lead to more empathetic solutions.

Mobile Apps and Technology: Create mobile apps or use technology platforms to provide employees with interactive tools for learning and tracking their progress in adapting to the change.

Employee Feedback Loops: Establish continuous feedback loops that allow employees to share their thoughts and concerns throughout the change process. This fosters transparency and two-way communication.

Celebrations and Milestones: Recognize and celebrate milestones and achievements along the way. This can boost morale and maintain enthusiasm for the change.

Cross-functional Teams: Form cross-functional teams that include employees from different departments and levels. This can foster collaboration, diverse perspectives, and a sense of unity in working towards the change.

Personal Development Opportunities: Offer training and development opportunities that align with the change initiative. Show employees how embracing the change can benefit their personal and professional growth.

Diversity and Inclusion: Highlight how the change supports diversity and inclusion efforts within the organization. Emphasize the positive impact on the workplace culture.

Peer Support Groups: Establish peer support groups so that staff members can talk to others going through similar changes about their accomplishments, struggles, and experiences.

Design Thinking

Design Thinking is a human-centered approach to problem solving and innovation that can be very effective in change management, especially in a VUCA world. In such a dynamic and unpredictable environment, traditional change management models may be less effective. Here is how you can integrate Design Thinking principles into your change management strategy:

Empathize: Understand the needs, concerns, and emotions of your employees and stakeholders. Engage in active listening and conduct empathy interviews to gain insights into their perspectives.

Define: Clearly articulate the problem or challenge your organization is facing. Create a well- defined problem statement to guide the change initiative. In a

VUCA world, the problem may evolve, so be prepared to revisit and redefine it as needed.

Ideate: Encourage a diverse group of stakeholders to brainstorm and generate innovative solutions. In a VUCA environment, be open to unconventional ideas and think beyond the traditional solutions.

Prototype: Develop and test small-scale prototypes of your proposed changes. This allows you to quickly assess the feasibility and desirability of the solutions before investing heavily in implementation.

Test: Gather feedback from employees and other stakeholders by testing the prototypes. Be open to making adjustments and refinements based on their input. Iteration is crucial in a VUCA world where things can change rapidly.

Implement: Roll out the change in small, manageable steps. In a VUCA environment, avoid massive, all-encompassing changes that can be overwhelming. Gradual implementation allows for flexibility and adaptation as the situation evolves.

Communicate: Maintain transparent and open communication throughout the change process. Share the "why" behind the change, its progress, and any necessary adjustments. This helps build trust and understanding among employees.

Evaluate: Continuously measure the impact of the change. In a VUCA world, outcomes may not be immediately evident, so use metrics that capture both short-term and long-term effects.

Adapt be prepared to adapt and pivot as needed. In a VUCA world, change is a constant, and your organization should be flexible and agile in response to evolving circumstances.

Celebrate: Recognize and celebrate small wins and milestones. Positive reinforcement can help motivate employees and build momentum for ongoing change efforts.

Learn: Encourage a culture of learning from both successes and failures. In a VUCA world, it is essential to be adaptive and use experiences as opportunities for growth and improvement.

Agile Change Management

Agile Change Management is a strategy that adheres to the values and methods of the Agile methodology, which is widely employed in software development but has also been implemented in a number of other business settings. Increasing organizational flexibility, iterativeness, and responsiveness to the demands of the company and its workforce is the main objective of agile change management. It acknowledges that businesses must be able to adapt to change effectively and efficiently because it is an inevitable part of the fast-paced business climate of today.

Key principles and concepts of Agile Change Management include

Cross-Functional Teams: Agile change teams typically consist of cross-functional members, including representatives from different departments and levels of the organization. This diversity helps ensure that various perspectives are considered during the change process.

Iterative and Incremental Change: Agile Change Management promotes making changes in small, incremental steps. Rather than implementing large, sweeping changes all at once, organizations work on incremental improvements and iterate based on feedback and outcomes.

Transparency and Communication: Open and transparent communication is crucial in Agile Change Management. Stakeholders are kept informed about the progress of changes, and feedback is actively sought and incorporated into the change process.

Feedback Loops: Agile Change Management encourages the use of feedback loops to continually assess the effectiveness of changes. This may involve regular retrospectives to evaluate what is working and what is not.

Empowering Employees: Employees are seen as key contributors to the change process, and their input is valued. Agile Change Management empowers employees to take ownership of the changes and contribute to their success.

Adaptability: The Agile approach recognizes that change plans may need to adapt as new information becomes available or as circumstances change. It's important to be flexible and responsive to emerging needs.

Quick Wins: Agile Change Management often seeks to identify and implement "quick wins" – small, high-impact changes that can be executed rapidly to build momentum and demonstrate the benefits of the change initiative.

Lean and Mean: The approach emphasizes efficiency and minimizing waste. Unnecessary bureaucracy and paperwork are reduced to focus on delivering value quickly.

Continuous Improvement: Just as in agile development, the change process is seen as an ongoing journey of continuous improvement. Organizations learn from each change iteration and apply those lessons to future changes.

Agile Tools and Practices: There are certain tools like Kanban boards, daily stand-up meetings and user stories that Agile Change Management uses which originally belonged to agile methodologies.

Agile Change Management is particularly valuable in environments where traditional change management approaches are too rigid or slow to keep pace with evolving market conditions. By embracing agility, organizations can more effectively navigate the challenges of change and respond to the needs of their employees and customers.

Gamification
Gamification stands out as a potent strategy in change management, particularly within VUCA contexts, characterized by swift and unpredictable shifts. Traditional methods of managing change often prove inadequate in these challenging situations. By incorporating gamification, there's an increase in engagement, motivation, and adaptability in change initiatives. The following

discussion delves into the application of gamification in change management in a VUCA world:

Engagement: By changing the transition processes into a game, it enhances active engagement. Few individuals might feel overwhelmed, but this way of transitioning allows employees to win points, badges, or rewards for completing a task. This links to a sense of achievement and progress.

Behavioral Change: In VUCA environments, behavioral change is essential. Gamification can encourage employees to adopt new behaviors by setting challenges and goals. For example, employees can compete with each other to see who can best implement the change, fostering a culture of continuous improvement.

Learning and Training: Change often requires employees to learn new skills or adopt new processes. Gamified training modules, such as e-learning courses with interactive elements, quizzes, and simulations, can make learning more enjoyable and effective.

Feedback and Data: Gamification allows for real-time feedback and data collection. Managers can track employees' progress and identify any areas where the change initiative is stalling or facing resistance. This data can be used to make real-time adjustments to the change strategy.

Collaboration: In VUCA environments, collaboration and teamwork are often critical. Gamified elements can encourage employees to work together, solve problems collectively, and support each other through the change process.

Adaptability: Change management in a VUCA world requires flexibility and adaptability. Gamification can make it easier to adjust the change strategy as needed. For example, if certain aspects of the change are not working, the game elements can be tweaked to address specific issues.

Communication: To facilitate communication regarding any change in on Organizational level, gamifications strategies like a leaderboard or a virtual

town hall can be activated. These tools not only promote transparency but also help keep employees in the know of the progresses.

Incentives: Offering rewards or recognition for embracing change can motivate employees to actively participate in the process. This is particularly valuable in a VUCA world where people might be resistant to change due to uncertainty.

Measuring Success: Gamification allows clear and quantifiable metrics to measure the success of the change initiative. Key performance indicators (KPIs) can be tied to the game elements, helping to assess the impact of the change.

Fun and Motivation: If the change proves are observed pr perceived as fun and rewarding, the competitive aspects and the challenging aspect of gamification can significantly boost employee motivation. This leads to increased engagement, which in turn leads to increased motivation amongst the employees.

Storytelling

In the context of a VUCA world, where rapid changes and unpredictability are the norms, storytelling becomes a key aspect of change management. It plays an essential role in effectively communicating and engaging with employees. By using storytelling to articulate the purpose, vision, and benefits of the change, it becomes more relatable and meaningful to the workforce. Here's an exploration of how storytelling can be effectively utilized in managing change within a VUCA environment:

History and Tradition: Use storytelling to connect the change to the organization's history and traditions. Show how change is a natural part of the organization's evolution and growth. Highlight how past changes have shaped the current success.

Creating a Compelling Narrative: Start by crafting a compelling narrative that explains why the change is necessary. Use storytelling to paint a vivid picture of the current state, the challenges faced, and the future vision. Make the story relatable and emotionally resonant to capture the attention and commitment of employees.

Humanizing the Change: Stories put a human face on the change. Share personal anecdotes and experiences related to the change to make it more tangible. Use real-life examples of employees who have successfully adapted to change in the past to inspire others.

Resilience and Adaptation Stories: In a VUCA world, resilience and adaptability are vital. Share stories of organizations that successfully navigated turbulent times by adapting to change. Highlight how resilience led to growth and sustainability, and emphasize that the workforce can do the same.

Fostering Trust: In a volatile and uncertain environment, trust is essential. Share stories that illustrate how leadership is committed to transparency, honesty, and open communication throughout the change process. Authentic storytelling builds trust among employees.

Metaphors and Analogies: Metaphors and analogies can simplify complex concepts. Use them to explain the change in terms familiar to the workforce. For example, you might compare the change to a journey, a puzzle, or a marathon.

Employee Voices: Encourage employees to share their stories and experiences related to the change. This not only provides multiple perspectives but also gives employees a sense of ownership in the change process.

Continuous Communication: Storytelling isn't a one-time event. It should be a continuous process. Regularly update employees with new stories, progress reports, and success stories to keep them engaged and motivated.

Feedback Loops: Encourage employees to share their own stories, feedback, and concerns. This creates a two-way dialogue, making employees feel heard and valued in the change process.

Learning from Failure: Share stories of change initiatives that didn't go as planned and the lessons learned from them. Emphasize that failure is a natural part of change and that it can be a source of valuable insights.

Celebrate Milestones: Celebrate both minor and large accomplishments along the way of change by using storytelling. This maintains motivation high and validates the progress gained.

Best Practices in Change Management

Leadership and Sponsorship: Secure strong leadership and sponsorship support for the change initiative. Leaders should champion the change, set the tone, and actively communicate the vision and benefits of the change to the organization

Clear Vision and Objectives: Clearly define the purpose, goals, and desired outcomes of the change. This provides a shared understanding of why the change is necessary and what success looks like.

Stakeholder Engagement: Identify and engage all relevant stakeholders, including employees, customers, and suppliers. Understand their concerns, needs, and perspectives and involve them in the change process.

Communication: Create a thorough communication strategy that incorporates frequent and open updates regarding the change. Utilize several communication platforms and customize messages for distinct audiences to ensure all stakeholders are reached.

Change Readiness Assessment: Assess the organization's readiness for change. Understand the current culture, capabilities, and any potential resistance that may need to be addressed.

Change Champions: Identify and empower change champions within the organization. These individuals can help motivate and guide others through the change process.

Training and Development: Provide training and development opportunities to ensure employees have the necessary skills and knowledge to adapt to the change. This helps reduce anxiety and resistance.

Change Management Team: Form a dedicated change management team or utilize change management professionals who can plan, execute, and monitor the change process.

Feedback and Adaptation: Create mechanisms for collecting and acting on feedback from stakeholders. Be prepared to adapt the change strategy based on the feedback received.

Pilot Programs: Implement a pilot or small-scale version of the change to test its effectiveness and gather insights before rolling it out on a larger scale.

Risk Assessment and Mitigation: Determine possible risks and difficulties related to the shift and create plans to lessen them.

Celebrate Milestones: Recognize and celebrate small wins and milestones during the change process to boost morale and motivation.

Measurement and Evaluation: Define key performance indicators (KPIs) and metrics to measure the impact of the change. Regularly assess progress and make adjustments as necessary.

Sustainability: Ensure that the change is integrated into the organization's culture and processes so that it becomes the new norm.

Documentation: Maintain clear and comprehensive documentation of the change process, including lessons learned, for future reference and continuous improvement.

Continuous Improvement: Continuously seek ways to improve the change management process itself based on feedback and outcomes from previous changes.

Resource Allocation: Provide the change initiative with the time, money, and manpower it needs to succeed.

Legal and Ethical Considerations: Ensure that the change adheres to all legal and ethical guidelines, including compliance with regulations and industry standards.

Patience: Recognize that not everyone will adjust to change at the same rate and that change takes time. Have patience and keep helping others.

Top-Down and Bottom-Up Approach: Combine top-down leadership with a bottom-up approach that encourages employees at all levels to participate in the change process.

These are some of the most widely accepted best practices for managing change initiates effectively. Thus outlining the best practices in change management, emphasizing leadership commitment, clear objectives, stakeholder involvement, robust project management, training and continuous measurement.

Conclusion

Organizations can thrive in a world characterized by Volatility, Uncertainty, Complexity, and Ambiguity (VUCA) by understanding and implementing effective change management strategies. Such strategies are not mere optional tactics but essential necessities in today's dynamic environment. Successful change management hinges on strong leadership, a workforce that is fully engaged, and a culture of ongoing improvement. It is a continuous journey rather than a one-time effort. Embracing change as a creative and dynamic process enables organization to effectively respond to the challenges posed by VUCA conditions. The future of change management is promising, as it continues to evolve to meet emerging challenges and opportunities, solidifying its role as a critical tool for organizations seeking resilience and competitiveness in a rapidly changing global landscape.

References

1. Cameron, E., & Green, M. (2019). *Making sense of change management: A complete guide to the models, tools and techniques of organizational change*. Kogan Page Publishers.

2. Kotter, J. P., & Cohen, D. S. (2012). *The heart of change: Real-life stories of how people change their organizations*. Harvard Business Press.

3. Hiatt, J., & Creasey, T. J. (2003). *Change management: The people side of change*. Prosci.

4. Cummings, T. G., & Worley, C. G. (2014). *Organization development and change*. Cengage learning.

5. Luecke, R. (2003). *Managing change and transition* (Vol. 3). Harvard Business Press.

6. Hill, L. A., & Lineback, K. (2011). *Being the boss: The 3 imperatives for becoming a great leader*. Harvard Business Press.

7. Senge, P. M. (2006). *The fifth discipline: The art and practice of the learning organization*. Broadway Business.

8. Stacey, R. D. (1996). *Complexity and creativity in organizations*. Berrett-Koehler Publishers.

9. Hamel, G. (2008). The future of management. Human resource management international digest, 16(6).

10. O'Reilly III, C. A., & Tushman, M. L. (2013). Organizational ambidexterity: Past, present, and future. *Academy of management Perspectives*, 27(4), 324-338.

Author's Profile

Dr. Sonali Narbariya is an Assistant Professor in the department of HRBS at the SBM, NMIMS Mumbai. She has over nine years of experience including corporate and academia. She holds a full time PhD in Management from IBS Hyderabad, and is a recipient of the prestigious 'Mahesh-Ehsan recognition for Research Pursuits", Conferred by IFHE University. Her doctoral dissertation focuses on Change Readiness for Digital Transformation. Prior to her academic pursuits, she has worked with various Global Fortune 500 organizations like JP Morgan, TATA Consultancy Services and Thomson Reuters for over five years. A number of conference (National/ International) and research paper publications count to her credit. Apart from teaching, her passion also includes facilitation for executive learning. Her recent engagements for mid-level management and senior leadership development have been with various government organizations and multinational companies. Her interest areas include Change Management, Leadership, Digital HRM and People Analytics.

CHAPTER 4

THE AGILE APPROACH FOR MANAGING ORGANIZATIONAL CHANGE

Sonali Narbariya

Assistant Professor, Department of HR and Behavioural Sciences, School of Business Management, SVKM's Narsee Monjee Institute of Management Studies (NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Abstract:

Agile Change Management represents a dynamic approach to navigating organizational transformations. It prioritizes adaptability, iterative progress, and flexibility, equipping organizations to respond rapidly and efficiently to evolving scenarios while ensuring robust employee involvement. This method advocates for dividing change initiatives into manageable segments or sprints, fostering teamwork across various functions, and keeping a strong focus on customer needs. The approach involves initially setting out clear change objectives, then continuously gathering feedback, basing decisions on data, and fostering consistent performance and talent enhancement. To successfully implement this strategy, organizations need effective change leadership, open and transparent communication, adept use of Agile tools, and strong support structures. Agile Change Management allows for swift adjustment to market changes, bolsters employee engagement, mitigates risks more effectively, and increases the chances of successful change implementation but Agile Change Management also presents its own set of challenges. In conclusion, this exploration of the Agile methodology in managing organizational change covers its core principles, practices, the benefits it brings, the challenges it presents, and reflects on its role in improving an organization's ability to adapt to change.

Keywords: Agile, SCRUM, KANBAN, Effective Change Process.

Introduction:

In the current dynamic business landscape, organizations must continuously evolve to stay ahead in the market and address new challenges effectively. This necessitates frequent changes in response to factors like shifting customer preferences, advancements in technology, and process alterations. Traditional approaches to change management, often characterized by structured, top-down methodologies, are being increasingly replaced by more flexible Agile methods. Originally stemming from software development, Agile methodologies have permeated various business sectors, including organizational transformation. This article delves into the Agile approach within the realm of change management, exploring its foundational principles, operational processes, benefits, and the challenges it brings. It concludes by assessing the impact of Agile methods on enhancing an organization's capacity to adapt. To grasp the evolution and pace of change management in organizations, it's crucial to understand the origins, development, and application of Agile as a resource, tool, and methodology. The subsequent sections offer an in-depth look at the Agile framework, tracing its historical roots and examining its influence on the management of organizational change. Agile, known for promoting adaptability, teamwork, and a customer-centric mindset, originated in the late 20th century and continues to evolve. The following is a concise overview of Agile's genesis and its progression over time:

Waterfall Model (1950s-1970s): The Waterfall Model is a linear and sequential approach to software development, traditionally used in project management and software engineering. It's divided into distinct phases such as requirements analysis, design, implementation, testing, deployment, and maintenance. Each phase must be completed before the next begins, with no overlap. This model is known for its simplicity and ease of understanding, but it's less flexible compared to iterative models like Agile. It's best suited for projects with well-defined requirements and little to no change expected. Although this approach works for many projects, it has limitations, especially when managing complex and dynamic projects.

Early influences (1970s-1990s): The roots of Agile can be traced to several early influences Iterative and incremental development which entails the concept of

software architecture consisting of small incremental steps introduced by different people. For instance, Barry Boehm's "Spiral Model" and Tom Gilb's "Evolutionary Project Management". Next came the

Lean approach. This was inspired by lean principles originating from Toyota, which promotes efficiency and reduces waste. These approaches manifested into the agile thought.

Agile Manifesto (2000): Agile Manifesto is an important document in agile development which was created by the software developers who were disappointed with the inadequacies of the traditional development method. The manifesto focuses on people and the interaction between systems and tools. It focuses on having the software work on a wide range of data, collaboration between clients of contracts, and responding to changes as planned. The manifesto lays the foundation for agile methodologies and practices that prioritize flexibility, customer feedback and collaboration.

Emergence of agile methodologies (2001-2005): The Agile Manifesto has led to the emergence of various agile methodologies such as Scrum, Kanban, Extreme Programming (XP) and Lean Software Development. This framework provides guidelines and a framework for using agile concepts in a variety of ways.

Common use (2006-2010): Agile methods are popular in industries outside of software development, including project management, marketing, and designing products. This widespread adoption has led to the improvement of stringent practices.

Scaled Agile (2010s- till date): As organizations maintain agility at scale, new systems and processes such as SAFe (Scale Agile Framework), LeSS (Large Scale Scrum), and Ethical Agile have emerged to solve larger problems for the challenges of using Agile in a more complex environment.

Today, Agile continues to evolve and adapt to changes across various businesses. It includes integrated DevOps, Continuous Integration/Continuous Delivery (CI/CD) and other modern methods to improve development and

deployment processes. To understand it's modus operandi thoroughly, the essay moves towards highlighting the agile principles.

Agile Principles

Customer-Centricity: Agile puts the customer at the center of the development process. In change management, this translates to considering the needs and perspectives of employees and stakeholders.

Collaboration: Agile encourages cross-functional collaboration and open communication among team members, which can be applied to change initiatives to gather diverse insights and foster engagement.

Iterative Progress: Agile promotes incremental development and continuous feedback. In organizational change, this means making small, manageable changes and adapting based on feedback.

Embracing Change: Agile accepts that change is inevitable and welcomes it. This is a fundamental principle in managing organizational change.

Agile Methodologies for Change Management

The essay further moves towards outlining few prominent agile methodologies but on the explained principles.

Scrum: In the exploration of agile methodologies, Scrum emerges as a significant framework. Its adaptability makes it an ideal candidate for guiding organizational change, commonly referred to as "Agile Change Management". This method offers a systematic, iterative approach to manage transformation within organizations.

Cross-Functional Teams: A key feature of Scrum in Agile Change Management is the composition of cross-functional teams. These teams differ from standard Scrum teams, encompassing a more diverse range of professionals. This includes specialists in change management, project management, subject matter experts, and communications personnel, ensuring a holistic approach to the change process.

Sprints: Another cornerstone of Scrum is the division of work into sprints, which are set periods for focused work. In the context of change management, these sprints are utilized to concentrate on distinct stages or aspects of the change initiative. This segmentation allows for a more targeted and iterative approach to implementing change.

Product Backlog: The concept of a product backlog in Scrum, a prioritized list of tasks or features, is also pivotal in Agile Change Management. This translates into a structured agenda of change-related activities. These activities may include the development of communication plans, training programs, and strategies for stakeholder engagement, all prioritized for effective execution.

User Stories: User stories are used in Scrum to define specific requirements from the user's perspective. In Agile Change Management, user stories can represent the needs and concerns of employees, helping to identify their pain points and create solutions to address them during the change process.

Sprint Planning: At the beginning of each sprint, the team plans what work they will tackle. In Agile Change Management, this is where the change team plans the specific change activities for the upcoming phase of the change process.

Daily Stand-up Meetings: These short, daily meetings in Scrum allow team members to communicate progress, issues, and blockers. In Agile Change Management, daily stand-up meetings can help the change team stay informed about what is happening, address concerns, and adjust plans as needed.

Sprint Review and Analysis: At the end of each sprint, there's a review of the work done and an analysis to reflect on what went well and what can be done better. In Agile Change Management, this helps teams fine-tune their change strategies and adapt them based on real-world results and feedback.

Adaptability: Scrum is known for its adaptability. This is crucial in change management because plans often need to be adjusted as the organization evolves. Agile Change Management embraces change and allows for flexibility.

Stakeholder Engagement: Engaging stakeholders throughout the process is crucial in both Scrum and Agile Change Management. Regular feedback and

collaboration with stakeholders help ensuring that the change aligns with the goal of the organisations.

Transparency: Scrum advocates for transparency in work processes. In Agile Change Management, this signifies maintaining openness and clarity about the change process, its aims, and the advancements being achieved.

Kanban: Kanban is a popular agile method used for visualising and managing work processes, particularly in software development and project management. It originated from the Toyota Production System and has been modified for various industries. Kanban is known for its emphasis on continuous improvement, flexibility, and visualizing work in progress. Here are some key aspects of Kanban:

Visualize Workflow: In Kanban, work items are represented on a Kanban board, which is a graphic illustration of the workflow. Each work item is depicted as a card or task, and columns on the board represent various stages of the workflow. This illustration allows team members to easily see the status of tasks and recognize bottlenecks.

Work in Progress (WIP) Limits: Kanban places reinforcement on controlling the amount of tasks that are in progress at any given time. WIP limits are set for each stage of the workflow to prevent burdening team members and to assure a smooth and efficient flow of work.

Pull System: Work is pulled into the next stage of the workflow only when there is capacity, as opposed to being pushed onto team members. This helps balance workloads and keeps work items flowing steadily through the process.

Continuous Improvement in Kanban: Kanban stands out for its emphasis on continual process refinement. Teams engaged in Kanban are encouraged to consistently evaluate and enhance their workflows. This involves identifying any bottlenecks, fine-tuning work-in-progress (WIP) limits, and streamlining processes. Such periodic reviews and adjustments play a crucial role in boosting overall productivity and efficiency.

Flexibility of Kanban: Kanban is renowned for its broad applicability across various fields and projects. While often linked to software development, its principles are by no means limited to this area. The flexibility of Kanban allows it to be effectively integrated into different sectors, including traditional project management and product development. This versatility enables Kanban to adapt to a wide range of process needs seamlessly.

Customer Focus in Kanban: Placing customer satisfaction at its core, Kanban prioritizes tasks based on their value and urgency from the customer's viewpoint. Teams utilizing Kanban are therefore consistently aligned with delivering what is most beneficial and critical for the customer, ensuring that the customer's needs and values are always a top priority in their workflow.

Benefits of adapting Agile methodologies for managing Organizational Change

Enhanced Flexibility: Enhanced flexibility in the Agile approach to managing organizational change is crucial in today's dynamic and fast-paced business environment. Agile principles, which were originally developed for software development, have been successfully adapted for change management because they emphasize adaptability, collaboration, and responsiveness to change.

Iterative Approach: Agile change management divides the change process into smaller, manageable iterations. This allows for continuous assessment, adjustment, and fine-tuning of the change plan as the organization progresses. The flexibility to adapt and refine the plan is built into the process.

Regular Feedback: Agile methodologies emphasize the importance of consistently gathering feedback from stakeholders. This ongoing process is vital for pinpointing new challenges, addressing concerns, and identifying potential enhancements. Swiftly integrating this feedback into the change plan increases its adaptability and relevance.

Prioritization: Agile frameworks advocate for ranking change initiatives based on their significance and potential impact. This strategy enables organizations to concentrate on the most pressing changes initially, with the flexibility to reevaluate and realign priorities to match evolving business objectives.

The Agile Approach for Managing Organizational Change

Cross-Functional Teams: The composition of Agile teams is inherently cross-functional, uniting individuals from diverse departments and specialties. This multidisciplinary approach enriches the perspective on the change process and accelerates the adaptation to various needs and viewpoints.

Embracing Change as a Norm: Within Agile paradigms, change is perceived not as an anomaly but as an integral part of the operational process. This perspective equips organizations to be more agile and responsive to change as it naturally occurs.

Continuous Communication: Agile places a strong emphasis on consistent and transparent communication. Keeping stakeholders continuously informed and involved is crucial for promptly addressing emerging issues and seizing opportunities, thereby maintaining flexibility.

Empowering Employees: In Agile environments, empowering employees to make decisions within their areas of expertise is a key principle. This empowerment enhances the organization's adaptability, as employees can make immediate adjustments in response to ongoing changes and insights.

Minimal Viable Change: Agile's philosophy of Minimal Viable Change (MVC) emphasizes the importance of introducing the smallest possible alterations that are sufficient to achieve the desired outcome. This strategy minimizes upheaval and streamlines the process of adapting to ongoing developments.

Adaptation to External Factors: In the realm of Agile change management, there is a keen focus on adapting to external forces like fluctuations in the market, changes in regulations, and economic variances. Agile's intrinsic flexibility grants organizations the agility needed to quickly adjust to these external factors.

Continuous Improvement: Continuous enhancement is a fundamental aspect of Agile. Teams are engaged in a consistent process of evaluating and refining their methods and results. This relentless pursuit of improvement keeps the change management process vibrant, flexible, and efficient.

Collaborative Decision-Making: Agile methods promote teamwork and collective decision-making, where diverse teams play a pivotal role in shaping decisions. This approach not only fosters a deep sense of belonging among team members but also elevates their commitment to the project's success.

Regular Communication: A Key Agile Principle: Agile methodologies prioritize clear and ongoing dialogue. Regular exchanges and feedback cycles ensure team members stay informed and engaged, fostering a collaborative atmosphere and enhancing team commitment. Central to the Agile approach is the empowerment of its team members. Granting them autonomy in their respective fields of knowledge not only boosts their involvement but also actively drives the progress of the project.

Continuous Feedback: A standout feature of Agile is its focus on ongoing feedback. Team members are encouraged to share their insights and suggestions, creating an environment where their contributions are respected and implemented, thereby heightening their involvement.

Frequent Celebrations: Celebrating incremental achievements is a vital aspect of Agile. Recognizing these accomplishments not only uplifts team spirit but also keeps members motivated and dedicated to the continuous change process.

Adaptive Culture: Agile is built on an adaptive, improvement-centric culture. It encourages teams to perceive change as a pathway to advancement, reducing resistance and boosting their commitment to the process.

Training and Development: Investment in employee training and development is common in Agile organizations. Recognizing the company's commitment to their growth, employees tend to show higher levels of engagement in the change process.

Lean Implementation: Agile methodologies emphasize lean implementation, introducing changes in manageable increments while minimizing waste. This approach lessens the burden of change on employees, making the process more engaging and less disruptive.

The Agile Approach for Managing Organizational Change

Feedback Loops: Regular reflections on processes and outcomes are integral to Agile teams. This introspective practice allows employees to discuss the effectiveness of the change process, promoting engagement through ongoing improvement.

Clear Purpose: Understanding the "why" behind change initiatives is crucial in Agile teams. When employees grasp the purpose and benefits of the changes, their engagement and commitment to the process increase significantly.

Application of Agile Methodology for faster results
Agile methodologies, initially designed for project management and software development, are now pivotal in guiding organizational change. They advocate for a dynamic, collaborative, and adaptable framework to tackle evolving challenges. To harness Agile effectively for organizational transformation, consider these strategic guidelines:

Setting Clear Goals: Initiate the process by defining explicit objectives for the transformation effort. Ensure these goals are well understood, aligning them with the SMART framework - Specific, Measurable, Achievable, Relevant, and Time-sensitive.

Assembling Diverse Teams: Formulate teams comprising members from various departments and hierarchical levels. Such diversity in teams offers a holistic perspective on the changes and accelerates problem-solving.

Modular Progression: Segment the change initiative into smaller, more manageable parts. Utilize short, iterative cycles, like sprints, to foster gradual improvement. This modular approach facilitates quicker feedback incorporation and course adjustments.

Ensuring Open Communication: Establish a culture of clear, ongoing communication with all involved parties. Regularly update on progress, address challenges, and seek input, ensuring everyone remains on the same page.

Empowering Team Members: Grant teams the liberty to make decisions and lead the change efforts. Autonomy often leads to innovative solutions and swift implementation.

Incorporating Feedback Mechanisms: Embed feedback collection from various stakeholders within your change management process. Utilize this feedback to continually refine and tweak your strategies.

Prioritizing Impactful Outcomes: Focus on delivering results that add value promptly. Implement changes that yield immediate, positive effects, building momentum and support for the ongoing change.

Leveraging Agile Tools: Utilize tools specific to Agile project management, such as Kanban boards and burndown charts, for real-time progress tracking and management.

Fostering a Culture of Experimentation: Encourage experimental approaches and learning from setbacks. This attitude promotes innovation and expedites adaptation.

Engaging Leadership: Ensure active participation and backing from the organization's leadership. Their involvement is crucial for accelerating the acceptance of changes.

Acknowledging Achievements: Celebrate milestones and successes during the change process. Recognizing these accomplishments lifts morale and bolsters commitment to the Agile methodologies.

Emphasizing Continuous Enhancement: Adopt a mindset of perpetual improvement. Post every iteration, evaluate what worked and what didn't, adjusting strategies accordingly for subsequent phases.

Adaptive Measurement and Strategy: Employ metrics and KPIs to assess the impact of changes. Be prepared to modify your tactics based on data-driven insights and stakeholder feedback.

The Agile Approach for Managing Organizational Change

Challenges in Applying Agile to Change Management

Cultural Challenges

Applying Agile principles to change management can be challenging due to cultural resistance, as it requires a shift in mindset and practices. Here are some of the cultural resistance challenges which can be encountered while implementing Agile in change management:

Traditional Hierarchies: Many organizations have hierarchical structures where decisions and change directives flow from the top down. Agile emphasizes self-organizing teams and shared decision-making, which can be at odds with traditional hierarchies. Resistance may come from leaders who are reluctant to cede control or from employees who are accustomed to following orders.

Fear of Uncertainty: Agile's approach is to integrate uncertainty and change as inherent elements of its process. However, traditional change management often aims to reduce uncertainty. This difference can lead to discomfort among employees and leaders who may favor a more predictable and structured approach to change, as opposed to Agile's fluid and iterative style.

Resistance to Collaboration: Agile places significant emphasis on teamwork and cross-functional collaboration. In certain organizations where departmental barriers are pronounced, there might be reluctance to engage collaboratively with members from different teams or departments. This resistance can pose a challenge to implementing Agile's collaborative ethos effectively.

Resistance to Rapid Change: Agile promotes quick iterations and frequent changes, which can be unsettling for individuals and teams who prefer stability and predictability. Some employees may resist change for the sake of maintaining their comfort zones.

Lack of Trust: Trust is essential in Agile teams, and distrust among team members, or between employees and management, can hinder the adoption of Agile practices. People may be reluctant to share their thoughts and ideas in an environment they perceive as lacking trust.

Bureaucracy and Overhead: Agile principles emphasize minimizing bureaucracy and streamlining processes. In contrast, many change management processes can be laden with paperwork, approvals, and red tape. Employees may resist shedding these bureaucratic practices.

Measuring Success: Traditional change management often relies on long-term, predefined success metrics. Agile's emphasis on adapting to changing circumstances can make it challenging to define and measure success, which may lead to resistance from stakeholders looking for clear, quantifiable results.

Lack of Training and Education: If employees and leaders are not adequately trained in Agile principles and practices, they may resist the change because they do not fully understand how it works or how it can benefit the organization.

Lack of Understanding

Understanding the application of Agile methodologies in change management is crucial for successful implementation. However, several challenges stem from a common lack of understanding:

Agile's Applicability beyond Software: A common misbelief is that Agile is suitable only for software development or lacks a structured approach. This misconception often results in reluctance or opposition to implementing Agile in broader change management scenarios.

Challenge of Agile Terminology: Agile's specialized language and methodologies, such as "sprints," "scrum," "kanban," and "user stories," may seem intimidating to the uninitiated. This can become a hindrance to the adoption of Agile practices.

Importance of Agile Training: A lack of proper education in Agile methodologies can lead to confusion and uncertainty. Without a solid understanding of Agile principles, both employees and leaders might feel hesitant about integrating Agile into their change management strategies.

The Agile Approach for Managing Organizational Change

Inherent Resistance to Change: People naturally tend to resist new methods and changes. If the advantages of Agile in change management are not clearly communicated, this resistance might intensify, leading to a perception of Agile as just another disruptive shift.

Applicability of Agile in Real-World Scenarios: Often, Agile is mistakenly seen as a purely theoretical framework, disconnected from the practical realities and challenges of an organization. Overcoming this misconception is vital to recognize how Agile can specifically address business issues and enhance change management practices.

Agile's Role in Complex Change Processes: Introducing Agile into the intricate sphere of change management can appear overwhelming. It's essential to understand how Agile methodologies can demystify and optimize these complex processes, helping to dispel any related apprehensions.

Conclusion

Agile practices, particularly Scrum, Kanban, and retrospectives have become renowned for their ability to drive organizational change efficiently. These practices bring a versatile approach that prioritizes adaptability, collaboration, and continuous improvement. Despite initial hurdles in incorporating Agile into change management, many organizations have successfully leveraged its capabilities. This achievement has resulted in heightened employee involvement, expedited goal attainment, improved management of risks, and increased agility in adapting to new developments. Nonetheless, the effectiveness of Agile in change management is largely influenced by the organization's cultural environment, the dedication of its leadership, and the capacity to extend Agile concepts throughout the entire organization. In an era marked by constant change, businesses that adopt Agile for managing change are positioned to stay ahead in the competitive market and adeptly handle the complexities of a rapidly evolving business world.

References

1. Franklin, M. (2021). *Agile change management: A practical framework for successful change planning and implementation*. Kogan Page Publishers.

2. Lee, Y. (2022). *Leading Change While Loving People: Change Management Insights from the Non-profit Sector*. Taylor & Francis.

3. Trott, P., Baxter, D., Ellwood, P., & van der Duin, P. (2022). The changing context of innovation management. *Prometheus*, *38*(2), 207-227.

4. Sutherland, J., & Sutherland, J. J. (2014). *Scrum: the art of doing twice the work in half the time*. Currency.

5. Narbariya, S., Nayeem, M. A., & Gupta, R. (2022). Does HPWS amplify employees' change readiness for digital transformation? A study through the "work-from-anywhere" prism. *Personnel Review*, *51*(8), 1948-1966.

6. Mehta, K., & Sood, V. M. (2023). Agile software development in the Digital World–Trends and challenges. *Agile Software Development: Trends, Challenges and Applications*, 1-22.

7. https://netmind.net/en/agile-change-agent-an-agile-approach-to-change-management/Online articles and blogs [Accessed on 31.10.2023]

8. https://www.qrpinternational.be/blog/faq/change-management-vs-agile-change-agent/ [Accessed on 31.10.2023]

Author's Profile

Dr. Sonali Narbariya is an Assistant Professor in the department of HRBS at the SBM, NMIMS Mumbai. She has over nine years of experience including corporate and academia. She holds a full time PhD in Management from IBS Hyderabad, and is a recipient of the prestigious *'Mahesh-Ehsan recognition for Research Pursuits",* Conferred by IFHE University. Her doctoral dissertation focuses on Change Readiness for Digital Transformation. Prior to her academic pursuits, she has worked with various Global Fortune 500 organizations like JP Morgan, TATA Consultancy Services and Thomson Reuters for over five years. A number of conference (National/ International) and research paper publications count to her credit. Apart from teaching, her passion also includes facilitation for executive learning. Her recent engagements for mid-level management and senior leadership development have been with various government organizations and multinational companies. Her interest areas include Change Management, Leadership, Digital HRM and People Analytics.

CHAPTER 5

CHANGE MANAGEMENT & ORGANIZATIONAL ADAPTABILITY: ROLE OF HR

Dr. Deepak Sharma

Associate Professor, Assistant Professor,
Department of HR and Behavioral Science, School of Business Management,
SVKM's Narsee Monjee Institute of Management Studies
(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Dr. Kathryn Zukof

HR/OD Practitioner & Change Management
Independent Consultant, United States of America.

Ms. Dharini Palaniswamy

Lead – Organization Development
Centrico India Private Limited.

Abstract

Businesses, in order to increase effectiveness, work to change strategy, structure, systems, values, culture, people(competencies), product, processes or technology. Chapter explores role of HR in helping employees navigate change, develop ability to adapt to change, both in terms of practices and skills, and the way HR Department may help their organisations successfully plan and execute change projects.

Chapter further examines how HR professionals may have the competency to help leaders understand where changes are needed, which

unit/teams/employee groups may be impacted by a given change, and how likely such teams/employee groups are to support or resist change.

Through case study of an Europe based organization XYZ, at one of its offshore Global Capability Centers (GCC), chapter highlights how the organization successfully institutionalized change to a role based organization and the importance of diagnosis through data, transparent communication and empathetic leadership while implementing change at an organization level. It sheds light on the role HR plays in each of these areas and how they can be meaningful and strategic change agents.

Keywords: Change Management, Change Agent, Empathy, HR Department, Purpose

Introduction

Organizations often plan their change and renewal process from their current state to future desired states. In today's workplace, it's not strange for employees to experience a fast-tracked change initiative, which we already witnessed during covid, and the pace of projects ushering in additional changes is not expected to decelerate.

Such changes may involve changes in different elements of organization. In such cases, executive team and HR team may be involved diligently on thought of new values that might emerge from scenario such as creative thinking for organizational redesign, aligning the new strategy, structure and systems accordingly with the new values, and reworking on the processes, and re-estimating role of infrastructure or technology in bringing such changes for increased effectiveness. Such changes would require role of leadership, communication of such initiatives to be disseminated across all hierarchical levels and facilitating such changes through smaller groups to ensure enough space for discussion and voicing out of thoughts. The challenges from one group/team may be a learning for the other task groups/team. But transparency and communication along with system alignment is essential for success of any such initiative.

How would HR department & HR professionals work upon to build the change management skills? HR department should recognize the opportunities to

apply sound change management principles and practices to different change management projects and initiatives. For change to succeed, HR professionals need to realize that they are acting as change champions and change agents in the organization. As such they need to fully understand who their stakeholders are and how they will be affected, the impact intended changes will have on each employee group that's targeted, and how likely they are to support or resist the change. There may be several high-performance work practices which may be designed, customized and contextualized by Human Resources to support such change management. HR needs to build in opportunities for employees at all levels to provide input, ideas, and criticisms, and ideally actively contribute to the planning and delivery of HR initiatives. HR needs to ensure that need/vision for change is effectively communicated and that employees are provided with ample opportunity to build the competencies they need for the change to have its intended impact. HR needs to continuously assess actions/initiatives taken across company (at all levels/departments/hierarchy) to determine what's working well that they may continue, and what isn't working that they require to work upon/plan intervention.

As such, HR professionals adopt a catalytic approach to change management, they need to serve as change champions for catalysing change for the organization, and need to be perceived as a credible activist facilitating change and guiding organisational leadership to help guide future changes.

Review of the Literature

Kotter (2021) asserts that just like covid-19 we may continue to witness more unexpected & unanticipated events that include major and minor threats and opportunities and organizations and HR need to be prepared to take on the role. The idea of combating change successfully is to expand leadership capabilities within the organisation and building people with more leadership competencies, and developing team of diverse talent from different levels of the organization. This may involve people from shop floor to senior leadership level who have passion to face and make good the organizational challenges/deficiencies and building of the organisational capabilities.

HR department needs to design rewards policy in place to locate and recognise the early, though small symbols of change, so that it gets celebrated and

recognised as a value, institutionalising as part of culture. Celebrations of small successes reinforces a feeling that change is possible. The most effective time to locate such small successes/wins is early only (Amabile & Kramer, 2011).

Kotter and Schlesinger (1979), brings out a general perspective as of how HR can make individuals and organisations overcome resistance to change

HR should design & implement a strategy to identify messengers across all levels of the organisation the aim of which may be to spot leaders who enjoy a considerable amount of trust amongst people and may work as change agents/messengers. The aim of communication should never symbolize being totally intolerant to opposing voice or dissent. Any voice of opposition or dissent need to be brought to forefront for better diagnosis of challenges associated with bringing change. HR department needs to ensure people's buy-in by documenting such anxieties. This would ensure creation of a right environment establishing a better sense of change acceptance (Fox & Amichai-Hamburger, 2001).

Harel and Tzafrir (1999), assert that the only HR dimension that has had an impact on organisational performance would be training and development, which in turn for its success depends on right kind of learning gap analysis for its impact and success.

Research shows significant differences in performance of employees which can be attributable to HRM practices, which in turn reinforces that proceeding with good HR practices is of critical significance, because of its contribution to success in the aftermath of powerful forces of change emanating from the Fourth Industrial Revolution, viz. volatility, uncertainty, complexity and ambiguity in the business environment (Turner, 2020).

In 2019, researchers found that organizations often pursue multiple change initiatives simultaneously, from swapping technology platforms to restructuring to shifting their entire business models, as they strive to address business challenges and seek to retain their competitive advantage (Percy, 2019).

Catalyzing of Change Management: Role of HR Department

Unfortunately, many a times HR department/professionals sometimes keep themselves aloof from organization's plan of designing and implementing changes, even though they might be having critical competencies and vision that, if implemented, could help ensure such change management ideas get successfully implemented. Let's examine the role of HR Departments in helping employee survival and growth in an environment of continuous change and also as the role HR needs to play to help their organizations successfully plan and implement formally documented and planned change initiatives.

Creating Employee Expectations

During the change management programme implementation or otherwise during the day-to-day interactions HR department can take forward the message that change is a continuo process of life as well as workplace and its responsibility of employees across all levels of organisational hierarchy to embrace any change efforts. To do this, HR professionals must put across at all levels, all departments & functions that employees as responsible organisational citizens need to contribute to in plan strategy and execution of any change management intervention be in their job/role, or the department or within the entire organization. To ensure victory in such efforts HR professionals needs to design and tag the theme & expectation for continuous change into all HR processes that employees of the organisation experience (Kelly, 2021).

Jobs descriptions need to describe the behaviors employees are expected to demonstrate to support changing duties and requirements. Depending on the position, this could mean communicating the expectation that employees will recommend changes to improve the way day to day tasks are performed in their work area, continuously update knowledge and skills required to meet new work challenges, participate actively on project teams established to plan and implement changes, and help build support among direct and indirect reports as new work processes and procedures are introduced.

During the hiring process, HR staff need to convey to prospective employees that the job they are hired into will likely shift multiple times during the course of their career within the organization.

Change Management & Organizational Adaptability: Role of HR

As job requirements change, HR professionals need to ensure employees are provided with training and other resources needed to continuously refresh their skills. And HR can plan training, provide coaching, and offer other resources, such as Employee Assistance Programs, that help employees navigate the emotional turmoil some changes may create.

Active Participation in Change Programmes

As top management team of the organization is involved in establishment of project teams to help navigate change initiatives, HR professionals need to voice their concern for themselves and negotiate & ensure that they have an adequate representation on project team. HR department/professionals need to spread awareness amongst change champions that without meaningful involvement of HR professionals it would be very difficult to implement change initiatives successfully.

Employees are most likely to be active supporters of any change efforts when they have a feeling of being actively involved in and participating in the change programme(Zukof, 2021), HR professionals can contribute in helping project team members' visualize, and design plans and opportunities for employees at all levels to provide input and to actively contribute. As such, HR department may include support and involvement of frontline supervisors and department managers to help design effective interventions as to how to best to implement changes in their areas of work. HR department may help constitute and catalyse meetings with a Transition Monitoring Team which may work on providing designated employees with the chance to represent their work peers' interests in formal meetings with project team members (Bridges, 2003). And they can assist create a Red Team, a group of cautiously spotted individuals who in partnership with project team members help in identification of areas where project plans include mistaken assumptions and other problems that should be rectified before execution (Murphy, 2011).

HR professionals may also detect how effective communication may help navigate ambiguity and uncertainty and may help build employee support for change. HR department may help business leaders and project team members design and implement communication strategies that take advantage of every communication vehicle and every communication opportunity available to them

(Kotter, 1996). And HR staff can help leaders assess the effectiveness of various communication strategies, adjusting plans and approaches when needed.

HR staff understand how important it is for employees to maintain their sense of competence as change is introduced. They recognize that employees may resist embracing change when they perceive that they don't or won't have the skills needed to successfully perform their job in the changed environment. So much ahead of the change plan being introduced, HR professionals need to align closely and collaborate with top leadership, change drivers, top performers and line managers to forecast the skills employees would need to prevent redundancy and remain relevant, and should provide employees with access to skill development programmes such as through identification of learning needs, talent mobility, career path in terms of current and adjacent skills and facilitating availability of all resources to keep them updated. As change initiatives are planned, HR professionals need to plan innovative approaches that provide employees with the opportunity to build needed competencies throughout the entire change initiative; they shouldn't simply tack on employee training at the end of the initiative. And HR professionals need to make sure employees are provided with additional assistance and resources to continue to build needed skills as the change initiative officially wraps up.

Also, HR professionals have to reinforce the belief within the organization that change management processes are representing an opportunity for the organization to develop its own capability in the area of change management. Project teams take actions that sometimes work out well and sometimes fail. HR professionals may provide guidance to project team leaders to design into their work strategies the processes for periodic and consistent evaluation, learning and improvement, including post event/initiative review (Zukof, 2021). The goal is to identify throughout the change initiative what's working well and what isn't working as well, so adjustments can be made, where needed, to get the initiative back on track. The goal is also to identify lessons learned from each change initiative so the organization can plan and implement future changes more effectively.

Case of XYZ (name changed)
The case study details how an europe based organization XYZ, at one of its

offshore Global Capability Centers (GCC), successfully institutionalized change and transformed to a role-based organization. The core team that was involved in this initiative was the Executive team (CEO, Vice CEO and Head – People & Culture).

The GCC had its presence for more than two decades and was evolving its way of leadership and talent management practices in 2020. There was a thought process to improve the performance management and promotion processes at the C-suite level. The organization had a level-based approach in terms of hierarchy wherein one role had different levels. E.g., Software Developer L1.1, Software Developer L1.2 etc. There were two downsides to this approach. Firstly, from a motivation point of view, it did not bring in the required excitement to move to a higher role as there were too many levels at each role. It also paved way for a tenure-based promotion approach which did not align with the organization's aim to move towards a high-performance culture. Secondly, from an esteem point of view (which does occupy a higher level in the Maslow's hierarchy), it followed a blanket approach and did not help people identify with the actual work they were performing, e.g., software developers were one common group, irrespective of whether they worked on development or architecture or their different technical skills (common/niche).

Bringing in relevance to the titles based on their actual roles and cutting down the levels seemed important to drive motivation and performance. The HR team was then involved in collaborating with an external expert body Mercer in this regard, to do a skill assessment, industry benchmark and propose roles that can be considered to move to a Role Based Organization (RBO).

The move to RBO defined two things:
1. Identity of people's titles to the roles performed at work.
2. Career progression (promotions) depended purely on performance, additional responsibilities taken and role availability at the next higher level.

Analyzing the study carried out by Mercer, roles were identified based on the size of the organization, skill relevance, and scope for growth.

Once the roles and mapping were clear, came the most important function of Change Communication. The executive team and HR team were involved diligently on structuring the communication in a way that it highlights the pros, while also being transparent about the cons. The communication was also carried out in smaller groups to ensure enough space for discussion and voicing out of thoughts. The queries from one group also enabled the team to prepare for addressing the next group. The downside of RBO movement was that if there reaches a point of stagnation in terms of career progression, then it can lead to a path of exit, but at the same time the roles identified ensured the mapping was in such a way that there was enough room for growth for all. The fact about this was kept transparent during the communication process as well.

Overall, the communication was well received as employees felt that the role and compensation mapping was done in sync with the market and internal benchmarks. With RBO, Software Developers were now identified as Developers, DevOps Engineers, Digital Engineers depending on their field of work. Similarly, a blanket definition of Program Manager was changed to Enterprise Cyber Security Manager, DevOps Principal Architect etc. depending on the role they performed. This was welcomed by the employees.

Once all changes were in place, a post implementation check was also carried for a period of eighteen months after the change to track the pulse of colleagues, any possible concerns that were left unaddressed which could have led to lesser satisfaction/engagement, increased attrition etc. About three years into the change, it may be safely concluded that the change implementation was successful with no negative feedbacks on the same.

Reflecting upon the entire exercise, below are the key highlights that made this change management seamless and effective:

A. Identification of Purpose: The leadership & HR were clear in establishing WHY this change was required. It was identified that too many level-based designations in the organization did not pave way for bringing out the passion and enthusiasm when it came to career progression via promotions. To make employee role progressions more value based, and to drive high performance, it

was concluded that the transition from a level based to role-based organization was required.

B. Prediction of downsides: There was enough brainstorming done along with playing the devil's advocate to ensure that the possible concerns that can arise from employees are thought through. This enabled that an impact analysis was done proactively at each step of the change process which led to detailed data collection, clear communication with enough preparedness for the team. This exercised helped the core team identify and boil down the possible concerns into four main streams – role clarity, career path, compensation, and parity maintenance with their current level. It also helped in being clear on what concerns can be cleared with the support of factual data and what can be transparently agreed and communicated.

C. Research and Data: It was imperative that there was enough research done about the industry practice to ensure that the steps taken towards role progression are backed up and in alignment with the external market. The HR team was involved in carrying out a detailed market study on the roles, role mapping in the industry. They partnered with Mercer for the research and a list of roles were identified which would be suitable to adopt for the organization's needs and size.

D. Communication: One of the important C's when it comes to change management is Communication. Since step/point B helped identify the probable concerns that could have arose from the colleagues, it became easier to structure the communication points. The discussions were carried out as small groups rather than as one large townhall with a predominantly one-way communication, to ensure there was enough room for people to get their queries addressed and clarity received. The discussion points from one group also helped in reflecting, feeding the thought process, and being better prepared to address the next one. Step/point C aided in backing up decisions with data wherever required, which brought in more assurance to the colleagues.

While the communication was drafted in a way that it highlights that the change would bring out much more value to the roles that each were performing, there

was also enough transparency ensured when it comes to communicating any downsides of the change upfront. Keeping it real was key!

E. Post Change Implementation Checks: Once the change was communicated and established, many ambassadors across teams were also chosen to keep a check on the *post change pulse* among team members, any possible concerns that were left unaddressed which can lead to lesser satisfaction/engagement, increased attrition etc. This ensured there were enough insights on the aftereffects of the change and was carried out for a period of eighteen months post the change implementation.

F. Empathy: Leading with empathy is one of the key skill requirements in today's VUCA world. Keeping empathetic leadership as the baseline of the change exercise helped the leadership team to place themselves in the position of the receivers of the change message. This allowed to identify potential roadblocks and challenges that individuals may face during the transition and proactively address them, reducing resistance and making the change more manageable. It is natural for receivers of change to feel uncertain, anxious and have concerns. It is imperative to be active and patient listeners. Empathy helps in building trust as it enables understanding others' perspectives, thus making them feel heard and understood. This trust building aspect also leads to effective communication, collaboration and thus embracing change better.

G. HR as change agent: HR professionals play a key role as change agents to ensure sustainability of change. The HR team was involved in the pre change implementation phase which involved discussion with executives on establishing the purpose, partnering with experts on industry level research, adapting the research findings to the needs of the organization, compensation alignment between the two approaches and structuring the communication to be given to all employees. During the implementation of change, they were instrumental in smooth communication, ensuring the exercise aligns with the organization's culture on empathetic leadership, checking the pulse and mindset with the change reception, explaining the career paths, and bringing in reassurance. Post the implementation of change, HR played key role in terms of documentation, operational revisions, *post change pulse* tracking all of which

ensured successful implementation of change with no negative feedback or talent attrition.

Conclusion

The clarity of vision and purpose on part of leadership is a critical factor as far as successful change management in an organisation is concerned (such purpose helps in change planning & implementation). Then its vital that such a vision is communicated to across the hierarchy to elicit participation of employees and a buy-in at all levels for such change. Change champions/partners sneed to be identified including HR Department working as a catalyst to facilitate eat each step, namely, framing of purpose, communication of purpose, choosing change champions, making employee partners to change, making employee a part of change to reduce resistance to change, and the active follow up during and after implementation of change. In present case, the HR team was involved in the pre-change implementation phase on establishing the purpose, partnering with experts on industry level research, adapting the research findings to the needs of the organization, compensation alignment between the two approaches and structuring the communication to be given to all employees. Also, during the post change process, HR kept a track of successful implementation of change.

References

1. Amabile, T. M., & Kramer, S. J. 2011. The power of small wins. *Harvard Business Review*, 89(5): 70–80.

2. Burnes, B. 2017. *Managing Change*. Pearson.

3. Bridges, W. 2003. *Managing Transitions: Making the Most of Change*. Cambridge, MA: Perseus.

4. Fox, S., & Amichai-Hamburger, Y. 2001. The power of emotional appeals in promoting organizational change programs. *The Academy of Management Executive*, 15(4): 84–94.

5. Harel, G. H., & Tzafrir, S. S.1999. *The effect of human resource management practices on the perceptions of organizational and market performance of the firm.* Human Resource Management: Published in Cooperation with the School of Business Administration, The University of Michigan and in alliance with the Society of Human Resources Management, 38(3): 185–199.

6. Kelly, Amy P. 2021. "*The Sustained Change Method*". Presented at ATD OrgDev Virtual Conference, Alexandria, VA.

7. Kotter, J. P., & Schlesinger, L. A. 1979. Choosing strategies for change. *Harvard Business Review*, 57(2): 106–114.

8. Kotter, J.P. 1996. *Leading Change*. Boston: Harvard Business School Press.

9. Kotter, J. 2021.*Change*. Wiley

10. Lawler III, E. E., Levenson, A. R., & Boudreau, J. W. 2004. HR metrics and analytics: Use and impact. *People and Strategy*, 27(4):27.

11. Murphy, J.D. 2011. "*The Red Team: A Simple but Effective Method to Improve Mission planning.*" HR Toolbox, May 1. hr.toolbox.com/blogs/james-d-murphy/the-red-team-a-simple-but-effective-method-to-improve-mission-planning-102711.

12. Percy, S. 2019. "*Why Do Change Programs Fail*?" Forbes, March 13.

13. Pfeffer, J. 1994. **Competitive advantage through people**. Boston, MA: Harvard Business School Press

14. Mishra, P., Shukla, B, & Sujatha, R. 2022. *Human Resource Management for Organisational Change*. Routledge

15. Sirkin, H. L., Keenan, P., & Jackson, A. 2005. The hard side of change management. *Harvard Business Review*, 83(10): 109–118.

16. Turner, P. 2020. *Engagement Driven Strategic HRM*. In Employee Engagement in Contemporary Organizations (pp. 223–256). Cham: Palgrave Macmillan

17. Verma, A. 1995. *Employee involvement in the workplace*. In M. Gunderson & A. Ponak (Eds.), Research in Personnel and Human Resource Management. New Haven, CT: JAI Press

18. Voehl, F & Harrington. 2016. *Change Management*. CRC Press

19. Wagner, A. J. 1994. Participation's effects on performance and satisfaction: A reconsideration of research evidence. *Academy of Management Review*, 19(2): 312–330.

20. Zukof, K. 2021. *The Hard and Soft Sides of Change Management: Tools for Managing Process and People*. Alexandria, VA: ATD Press.

Authors' Profile

Dr.Deepak Sharma has been working as Associate Professor in the area of Human Resources at Narsee Monjee Institute of Management Studies, Bengaluru Campus and has 24 years of experience (with industry & academia combined). He has been Corporate Trainer/HR & Legal Consultant for industry houses as well as Faculty member of leading B-Schools of India namely, International Management Institute popularly known as IMI and Lal Bahadur Shastri Institute of Management, New Delhi. He has authored books, research papers/case studies and multiple articles in Economic Times HR World in the area of Human Resources. He imparts Management Development Programmes on Leadership development, Change Management, Team Building and Personal Effectiveness, Negotiation Skills, Industrial Relations, Labour Laws for HR Managers to name a few. His areas of interest include HR systems (namely, Learning & Development, Performance Management & Coaching, Cultural system, Renewal system & Organization Development), Labour Laws, ROI, Leadership Development, Employee experience, Employee engagement, Talent Management, Gender Sensitisation & Sexual Harassment at workplace.

Dr.Kathryn Zukof is an author, advisor, educator and Learning and Organizational Development practitioner focused on helping people and organizations build leadership capabilities and successfully navigate through change. She has over thirty years of experience in industries ranging from manufacturing to higher education to technology services. She has been working as an independent consultant since 2017. Earlier, she has worked as Senior Director, Talent, Learning and Organizational Development (2008-2017) and as Director, Learning and Organizational Development (2006-2008) with NEW YORK UNIVERSITY, New York (which is largest private, non-profit institution of higher education in the United States, with 18 schools, colleges and institutes around the globe). She has also worked as Learning and Development Leader with SCHINDLER ELEVATOR CORPORATION, Morristown, NJ (2004 to 2006) which is a US subsidiary of the world's largest escalator manufacturer. She has also worked as Director, Learning (1997-2004) with JM HUBER CORPORATION, Edison, NJ. She has adjunct teaching experience with Rutgers Univerity, Fairleigh Dickinson University, William Paterson University to name a few. Her work has focused on helping organizations create and implement

innovative approaches to leadership development and succession management, foster an environment of continuous learning, and plan and navigate through transformational change. Kathryn has a PhD in Social Psychology and an MBA in Marketing. She has taught graduate and undergraduate courses in Industrial and Organizational Psychology, Research Methods, and Marketing. Before transitioning to a career in L&OD, Kathryn held management roles in client relations, product development, and marketing in the technology services sector. She is the author of The Hard and Soft Sides of Change Management: Tools for Managing Process and People, published in 2021 by ATD Press.

Ms.Dharini Palaniswamy is an HR professional, passionate about building inclusive workplaces, fostering a culture of belongingness to every individual. She brings this passion for inclusivity & psychological safety in every process/initiative she works on. She has functional expertise across the functions of HR, across industry sectors that comprise IT/ITES, Manufacturing, Non-Profits and Education in India and the US. She understands the ethos of working in a large MNC, mid sized firm as well as that of building a greenfield startup. Starting her career with TCS, currently she is the Lead – Organization Development at Centrico India Pvt Ltd, formerly known as Sella India. Outside her professional space, she is a fitness enthusiast and writes avidly about her journey on digital media. She is also a mental health & gender sensitivity advocate.

CORPORATE SUSTAINABILITY AND EMPLOYEE ENGAGEMENT

Dr. Aditi Dey Sarkar

Assistant Professor, Department of HR and Behavioral Science
School of Business Management, SVKM's Narsee Monjee Institute of
Management Studies (NMIMS) Deemed-to-be-University, Mumbai,
Maharashtra, India.

Abstract

Businesses continue to evolve through the various changes appearing in the course of the 21st century, in a perpetually evolving VUCA world. Sustainability has emerged as a major force of change towards transforming the business practices, moving beyond its focus of meeting the bottom-line of profits to addressing the triple bottom line, which is that of people, planet and profits. Applying the lens of responsible Human resource management (HRM), the following chapter, explores the facet of 'people', particularly the aspect of employees. Understanding the scope of creating shared value for its employees, the chapter presents an argument for embracing sustainable business practices, particularly to enhance employee engagement.

Key Words: Corporate Sustainability, Employee engagement, Responsible Human Resources Management

Introduction

To address the most pressing challenges of the 21st century, the United Nations (U.N.) brought member states together through a series of conferences. Through these activities emerged the eight Millennium Development Goals (MDGs), which all member states wanted to achieve by 2015. The various arenas of

change that the MDGs wanted to address were infant mortality, education, poverty, etc. Understanding that a humongous goal of these proportions was not something that governments would be able to achieve on their own, the U.N. established the Global Compact in 2000, to enlist the help of companies in advancing the goals towards the MDGs. The U.N. Global Compact, in 2004, agreed on a list of ten principles, grouped under four categories of labor, human rights, and environment and anti-corruption that would serve as a foundational understanding towards companies taking actions in their respective arenas. In 2015, it was seen that there was good work and remarkable progress was being made on the MDGs and the Ten Principles were being broadly accepted. Building upon this work, a 15-year plan was launched with the Millennium Development Goals taking another form as the Sustainable Development Goals (SDGs). SDGs were structured in 17 broad categories and specific goals being set as the sub categories, with a vision to bring the various stakeholders, be it the Government, companies or individuals on board, to work towards building and protecting the future for the planet and the people.

A symbiotic relationship can be explored between business and the realisation of SDGs through an understanding that businesses need to innovate, provide value to their consumer base, and they can thrive in economies where countries continue to grow. Thus, businesses require the presence of good economic growth of the nations, which in turn can be done by their active participation in actualising the SDGs, which serves as a broad framework. Through their participation in shaping their business strategy on sustainable practices, they can mitigate risks, build a sustainable value chain, pay fair wages to their employees and thus, differentiate themselves from their competitors.

Application of aforementioned principles enable the organisation to strategically build a sustainable framework within its business operations. The principles of Responsible Human Resources Management focuses on the employee as a stakeholder and delves into HR's role in responsible business performance. The symbiotic relationship between Human Resources – Responsible Management (HR-RM) can be established across the five phases of Recruitment, Training & Development, Performance Management, Compensations; Benefits & Employee well-being and Employee relations and Communication. In order to do this, it becomes imperative to focus on aspects like building on the competencies and

skills of employees to bring in sustainable practices; incentive behaviour aligning with the goals of the organisation to become a sustainable business, etc.

Understanding of Sustainable Development Goals (SDGs) and its role in business

To further understand how a business can make a shift towards becoming an 'inclusive business', we will explore the concept of stakeholder management. The majority of stakeholder theory literature is grounded in what Friedman (1962) terms the significant aspect of the social responsibility of business, which is to maximize stockholder value, which can be expressed as optimizing profits over the long run, progress, or dividends, provided that companies play by the rules of capitalism, that is, engage in free and open competition without fraud or deceit. This perspective has changed, though, and a new understanding has emerged to suggest that a company has broader obligations that can be met by attending to its stakeholders.

A method of categorizing stakeholders involves examining social groups that exhibit a clear and distinct relationship with corporations. Typical stakeholder groups include the following: media, government, competitors, NGOs, local community, suppliers, customers, employees, and stockholders. The literature on stakeholder management looks at the different levels of engagement that a business has with these various categories of stakeholders, as not all of them exude the same amount of influence or have an equal stake with regards to the business. Making the distinction between influencers and stakeholders is crucial towards the functioning of an organisation (Donaldson & Preston, 1995). Some actors within the organization might be both, while others—like job applicants—might be recognized as stakeholders but not have any sway. Still others might be both (media). To give a more accurate description of the group of workers, it would be helpful to divide them into categories such as trade unionists & non-trade unionists, temporary or permanent, part-time or full-time, white-collar and blue-collar, or based on the department or plant where they work. Employee subcategories may differ in terms of their identities, interests, and other traits. From a strategic perspective, it is evident that organizations may handle employee subcategories differently depending on their relative power. According to Friedman and Miles (2006), broadly, the line of legitimacy

could vary among various employee categories as opposed to the crude grouping of employees in comparison to other crude categorizations.

Growing evidence is showing that a company's CSR initiatives are a valid, appealing, and crucial strategy for luring and keeping talented workers (Sen et al., 2008). Towards managing talent, particularly the aspect of 'employee value proposition', the organisation can have focussed Corporate Social Responsibility initiatives that espouse values of the company. It also provides a perspective on the ways in which the organisation looks at the triple bottom line, that of the people, the planet and the aspect of profits. The CSR initiatives or rather the way in which the organisation brings about the aspect of sustainability through its various processes and engagements, humanises the organisation, and goes beyond the perspective of viewing it as a profit-making entity. It also helps the organisation to differentiate itself from other businesses and have a competitive advantage.

Responsible Human Resources Management (HRM) and its role in employee engagement

Among the primary duties of HRM (human resources management) are the creation and administration of the recruitment, screening, and hiring process for employees with the required skills to perform the intended role, the necessary orientation and training, and attitudes needed to help the newly recruited employees to thrive and fit in with the organization's culture. For major firms, the hiring process never ends, and human resources departments are always processing and advertising job openings. By safeguarding, generating, and maintaining social, environmental, and financial company value, the recruiting process must promote sustainable development and guarantee a good triple bottom line. The recruiting procedure must also be morally sound, with choices that are morally right in terms of both their method and their result.

Let us have a deeper look at the various stages in the life-cycle of bringing an employee on board to an organisation, their performance, etc through the lens of the traditional Human Resources Management Process and contrasting it with the Responsible Human Resources Management Processes.

Phase I: Recruitment and Selection

In any organisation, the process of attracting, screening and selecting the personnel, is based on an understanding of the Knowledge, skills and attitude of the potential candidate, which further connects to their job responsibilities. Conversely, responsible HRM does not just accept candidate profiles and job descriptions that are dictated by the needs or, sometimes, individual preferences of the manager. The first steps in a responsible HRM recruitment procedure involve training and educating business managers about the advantages of diversity in hiring as well as the necessity for them to maintain flexibility in accepting candidates who represent the full spectrum of diversity dimension. It is even possible to make the case that hiring shouldn't happen until a short list of candidates is submitted, at least one or two of whom should represent underrepresented groups and be a good gender balance. There is another angle to adopting ethical HRM practices for hiring, aside from the fact that a diverse workforce is crucial for creating creative business practices, as evidenced by research. Excluding sizable segments of the populace and/or community reflects prejudice and may expose the organization to legal issues.

In the Selection Process; personal interviews, group interviews, and involvement in assessment centres testing various aspects of mental capacity, leadership abilities, and character traits are used as methods for selecting the candidate. Responsible HRM brings in another dimension of having a 'stakeholder dialogue'. Employers need to select workers who share their goals, which means selecting not just the most competent workers but also the most appropriate workers. As a result, the screening procedure now provides a balance between learning more about the candidate and giving them the opportunity to learn more about the business. Additionally, it also provides a voice to the candidate, who must make a decision regarding whether or not to join the company.

Phase II: Training and Development

Organisations invest time and resources to enhance the knowledge and skills of employees through various educational activities or programmes, to increase the fulfilment of the employees. These training and development practices may not be very different from responsible HRM, but it can concentrate on looking for ways that the organization's business objectives might be in line with aspects of developing low-carbon products. It can also look at adapting current products to

meet emerging market demands that address social issues, or raising corporate sustainability rankings to attract new investors by emphasizing their human rights positions. The goal of a responsible HRM approach is also to ensure that employees are aware of other organizational aspects, such as overseeing, assessing, and tracking the effects on society and the environment, corporate responsibility as an organizational strategy, values, and ethical behavior. This in turn contributes to the employability of the individual and makes them future ready which is an appreciable and commendable aspect, in the functioning of the VUCA world. Thus, employees continue to feel appreciated and find a sense of value in working towards the growth of the organisation, as it conspicuously or inconspicuously adds to their own growth and progress.

Phase III: Performance Management

Performance Management comprises understanding the employee's work performance through monitoring and providing feedback through management, to help the individual align towards the organisation's goals. This can be done through various approaches, one of which is the 360-degree appraisal, which lets the employee know how they have been rated by their supervisors, peers and subordinates. When we consider the Responsible HRM practices here, it can be done through giving the employee to conduct a dialogue to have a fair say in their performance assessment. It would also require that the employee is supported in their process for growth and development, by giving them opportunities to upskill themselves and further empowering them to take lead in their growth trajectory in the organisation after detailed discussions with their manager and senior leaders.

Phase IV: Compensation, Benefits and Employee Well-Being

Compensation is the amount of money an employee gets paid by their employer for performing organizational tasks. Benefits and compensation can have a financial or non-financial component. Financial compensation comprises wages and salaries as well as any financial return to the employees in the form of commissions, bonuses, or non-salary advantages that are valued as part of the overall compensation package. These could include paid time off, sick days, health or medical coverage, and college funding or child care subsidies for employees' children. Long-term benefits provided by companies include ownership plans, stock options, retirement plans, and profit sharing, which is a

form of compensation wherein employees receive a share of the profits made by the business in the form of the money or deferred bonuses.

Taking into account responsible HRM practices, the following actions are some that can be considered: Under some employee compensation plans, bonuses are given out based in part on the way an employee evaluates their own technical and behavioral competencies. Additionally, employees who perform exceptionally well on special projects may receive bonuses. Employers and lifestyle benefits, such as free bicycles or carbon credit offsets, can be used as green rewards to encourage employees to adopt a more environmentally conscious lifestyle while still acknowledging their contributions (HRMI, n.d.). Lastly, but just as importantly, more attention needs to be paid to studies that pinpoint workable plans for creating and executing green compensation practices, as these could aid companies in achieving their environmental goals.

Phase V: Employee Relations and Communications
Employee relations refers to any established group of workers who collaborate to advance the best interests of their group and is frequently linked to an organized approach to freedom of associations and unionization (Laasch et al., 2015). A responsible and sustainable business understands the importance of employee associations in creating a shared commitment to company goals, in addition to making sure that representatives of employees are treated with dignity and that discussions are conducted in an equitable and fair manner. Regarding Southwest Airlines, the company culture promotes employees to voice their complaints, which they can also do through the union. According to the employees, the organization fulfils a significant part of managing its stakeholders by promoting a healthy work environment and upholding their rights.

Responsible HRM practices and advancing the goals of employee engagement
As discussed in the previous section on the aspect of businesses developing a competitive advantage by bringing in sustainability as a core aspect of their operations and processes, the following approaches can be considered to increase employee engagement through the framework of Responsible Human Resources Management practices.

Corporate Sustainability and Employee Engagement

Promoting diversity: Every HR procedure may be used to establish an inclusive culture that will benefit all employees by increasing motivation, productivity, and workplace loyalty while also fostering a higher level of creativity, better customer relations, and decreased workplace conflict. This entails developing HR procedures that actively search for applicants from a variety of backgrounds, educating managers in advance to hire with an inclusive mindset, deliberately establishing an environment at work that respects the needs of various workers, particularly those from minority groups, and tactfully encouraging diversity in internal communications.

Skill based Volunteering: These days, larger corporations are adopting more sophisticated skill-based volunteering programs. This entails giving people the tools they need to meet needs in the community by utilizing their core competencies and skills. There are various advantages to this method of volunteering: When workers volunteer, they add genuine value and hone their own abilities by doing what they do best. In lieu of having finance professionals pack provisions for the less fortunate or logistics professionals rebuild dilapidated community structures, skills-based volunteering makes a significant contribution to improving capacity in communities that require this expertise but cannot afford them. As an illustration, consider PepsiCorps, a skill-based volunteer program where employees from all over the world form teams and are assigned to assist local communities in addressing social challenges. Employees from Lebanon, Pakistan, Spain, Turkish territory, the United Arab Emirates, and the United States took part in PepsiCorps in 2012. One team worked with a local community in India to enhance and promote harvesting rainwater, while the other team planned and constructed a community garden to promote healthy eating habits in a Native American community in New Mexico, USA (Diamond, 2022). Another perspective is that filling skill gaps in small charities is one of the main benefits of skill-based volunteering. The employees can evaluate how well their knowledge matches these organizations' needs. For example, a charitable organization that prioritizes education might require help developing an approachable website or producing interesting educational resources, which may be complementary towards the work done by the business too.

Employee well-being: Putting money into this area will yield long-term returns. Under Mahindra's "Rise" program, staff members voluntarily engage in stress

management, nutrition, exercise, wellbeing and other lifestyle programs. In addition to achieving impressive results in terms of reducing well-being risk factors for numerous employees, the initiative has generated a return on investment that far outweighs the initial outlay, directly boosting profit while ensuring business continuity and improving worker productivity. In addition to achieving impressive results in terms of reducing well-being risk variables for thousands of workers, the initiative has generated a return investment that far outweighs the initial outlay, directly boosting profit while ensuring business continuity and improving worker productivity. HR procedures that assist employees in managing their own health offer a return on investment, or ROI, in the form of decreased absenteeism, decreased healthcare costs, increased productivity, and longer employee retention.

Going green: One of the biggest business challenges of our time is reducing environmental impacts. A business can only reap the benefits when every employee is involved. The benefits of human resources support for employee-driven Green Teams that enhance staff behaviors related to energy consumption, paper consumption for printing, recycling, reducing waste, and more include reduced expenses for operation, improved safeguards for the environment, and contented employees who feel like they are envoys for a more sustainable world. Engaged workers can improve efficiency in all areas, including energy and water use (which is another expense that businesses will likely see rising in the years to come), waste reduction, recycling revenue generation, and more. Encouraging a culture that promotes ecological efficiency requires strong HRM support. This has been proven in multiple global businesses. In order to improve employee contribution to better environmental impacts, such as less energy use, less paper use for printing, recycling, waste reduction, and more; HR supports employee-driven Green Teams. This results in lower operating costs, better environmental protection, and happy employees who enjoy being stewards of a more sustainable planet.

Conclusion

As seen through the discussion in this chapter, Corporate Sustainability is the need of the hour, and holds great potential to contribute towards the various facets of employee engagement. The Securities & Exchange Board of India (SEBI) established the framework known as Business Responsibility and Sustainability

Corporate Sustainability and Employee Engagement

Reporting System, which is applicable to the thousand public listed companies, in order to contextualize the significance of corporate sustainability within the Indian context. The ranking of the organisations will be based on the various ESG (Environmental, Social and Governance) factors and hinges upon the triple bottom line discussed previously in this chapter. Thus, looking at the aspect of employee engagement through the lens of responsible HRM will provide great scope for organisations to align to sustainable business practices based on the aspect of creating shared value.

References

1. Bedi, N., & Singh, I. (2023, August 2). *Business Responsibility and Sustainability Report*. Deloitte India. https://www2.deloitte.com/in/en/pages/finance/articles/business-responsibility-and-sustainability-report.html

2. Diamond, C. (2022). *What is skills-based volunteering?*. Realized Worth. https://www.realizedworth.com/2018/10/31/what-is-skills-based-volunteering-2/

3. Donaldson, T., & Preston, L. E. (1995). *The stakeholder theory of the corporation: Concepts, evidence, and implications.* Academy of management Review, 20(1), 65-91.

4. Friedman, A. L., & Miles, S. (2006). *Stakeholders : Theory and practice.* Oxford University Press, Oxford.

5. Friedman, M.: 1962, *Capitalism and Freedom*. The University of Chicago Press, Chicago.

6. HRMI. (n.d.). Green HRM. Human Resource Management Institute. https://hrmi.org/green-hrm/

7. Laasch, O., & Conaway, R. N. (2015). Principles of responsible management:: glocal sustainability, responsibility, ethics. Cengage.

8. Laasch, O and Conaway, R.N. (2016). *Principles of Responsible Management*, Chapter 11, pp. 339-358

9. Sen, S., Korschun, D., & Bhattacharya, C. B. (2008). *Using corporate social responsibility to win the war for talent*. MIT Sloan Management Review. https://sloanreview.mit.edu/article/using-corporate-social-responsibility-to-win-the-war-for-talent/

10. Winston, A.(2020). *How Did Business's Role in Society Change in 2020?* Harvard Business Review, December, pp. 1- 9.

Author's Profile

Dr. Aditi Dey Sarkar has over five year's experience in corporate, development sector and academia. She obtained her PhD in Sociology from Indian Institute of Technology - Bombay, where she was a UGC Research Fellow. She is a Fulbright Doctoral Research Fellow (2018-19) and was a Visiting Researcher at the School of Social Policy and Practice, University of Pennsylvania. Dr. Dey Sarkar holds a Master's Degree in Social Work from Tata Institute of Social Sciences and a Bachelor's Degree from SNDT University in Electronics and Communication Engineering. Prior to pursuing her PhD, Ms. Dey Sarkar worked as a Young Professional under the aegis of NRLM in Kerala, also known as Kudumbashree. Strategic Human Resource Management, Leadership, Sociology of Gender and Work are her primary research interests. She has presented her work in various national and international conferences.

Chapter 7

CREATING AND SUSTAINING A CULTURE OF INCLUSION AND BELONGING

Geeta D'Souza

Assistant Professor, Chairperson Students Activites
Department of HR and Behavioral Science, School of Business Management,
SVKM's Narsee Monjee Institute of Management Studies
(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Abstract

The criticality of Diversity and Inclusion to business performance has long been established. Experts studying these concepts have advocated for organizational cultures which promote diversity, inclusion and belonging in order to leverage the various benefits that are derived from such cultures. While diversity, inclusion and belonging have taken centre-stage in recent times and many volumes have been devoted to the performance-boosting, competitive-edge creating and salutary effects of such cultures, many organizations still struggle to create and sustain such environments. Most Indian organizations invest a great deal of time, effort and money on increasing diversity numbers and implementing diversity training, but they miss the mark because they fail to address employees' needs of inclusiveness and belonging. This chapter examines the role of inclusion and belonging in the workplace, the policies and interventions required to develop and foster such cultures and the kind of leadership necessary for such transformations.

Keywords: Diversity, Inclusion, Belonging, Leadership, Culture, Change

Introduction

Decades of research on diversity has shown that it improves critical outcomes for organizations. Research involving global companies across countries has clearly shown a link between diversity categories such as gender and ethnicity and the financial performance of organizations. A study by Dezsö and Ross (2012) examining the impact of gender diversity on top management teams of organizations on the S&P 1500 found that the presence of women improves firm performance. In a 2018 study, Hunt, Prince, Dixon-Fyle and Yee of McKinsey, a global management consulting firm, used a dataset of more than 1000 companies from 12 countries and found that companies in the top quartile for gender diversity on their executive teams were 21 percent more likely to experience above average profitability than companies in the fourth quartile. For ethnic diversity, the gap was 33 percent. Financial performance notwithstanding, diversity has been found to provide several other benefits. Diversity gives a boost to innovation, better decision making and effective problem solving (Phillips, 2014). While the Dezsö and Ross study concluded that gender diversity improved performance, it did so only for firms with a strategic focus on innovation. Members of diverse teams are more likely to seek, unearth and effectively process information leading to better decision making (Phillips, Northcraft, & Neale, 2006). When diversity leads to the uncovering of different perspectives, sharing of novel information and synthesis of varied ideas, it results in innovative outcomes (Phillips, 2014).

Despite diversity's positive effects, organizations have not been able to fully reap its benefits. Some studies have shown that diversity increases discrimination and conflict and negatively impacts social integration (Findler, Wind, & Mor Barak, 2007; Williams & O' Reilly, 1998). While it may enhance cognitive outcomes, it can also increase affective outcomes such as anxiety and depression (Guillaume Dawson, Otaye-Ebede, Woods, & West, 2017; Joshi & Roh, 2009), while decreasing job satisfaction, organisational commitment, and well-being (Cunningham & Sagas, 2004; Findler et al., 2007). In India particularly, many organizations have not embraced diversity and those that have embraced it have not fully realized its impact. The Indian context is slightly different from other societies (Jaiswal, Dyaram & Khatri, 2022). Various demographic and socio-cultural differences involving gender, caste, age, religion, language, marital status, region and food preferences contribute to Indians' identity. These

differences bring their own unique yet inter-related and complex set of challenges for organizations. Taking a cue from their western counterparts, Indian organizations have sought to increase diversity within their workforces. The primary focus of most diversity initiatives in India has been gender with some organizations extending their diversity programmes to include the LGBTQIA+ community, People with Disabilities (PWD) and individuals across generations. While organizations have been successful to some extent in increasing the number of individuals belonging to historically under-represented groups, they've lagged behind in creating positive environments and experiences for such groups. Researchers trying to understand the missing piece in the diversity puzzle have pointed to the role of inclusion and belonging in bringing about effective integration of a socially diverse workforce (Shore, Cleveland, & Sanchez, 2018). Studies exploring concepts related to inclusion and belonging have found a host of benefits for organizations and their employees and this has led to increased attention from scholars and practitioners (Ferdman & Deane, 2014; Mor Barak, 2005; Shore et al., 2018). This chapter examines the role of inclusion and belonging in the workplace, the policies and interventions required to develop and foster such cultures and the kind of leadership necessary for such transformations.

Inclusion and Belonging

While diversity focuses on the differences among people in an organization, inclusion is about how people are treated regardless of their identity group. Mor Barak (2014) defines workforce diversity as "the division of the workforce into distinction categories that (a) have a perceived commonality within a given cultural or national context and that (b) impact potentially harmful or beneficial employment outcomes such as job opportunities, treatment in the workplace, and promotion prospects—irrespective of job-related skills and qualifications" (p. 136). This definition involves the categorization and identification of individuals based on perceptions of similarity to a particular social unit as well as the outcomes that might occur due to social comparison of categories and an us versus them mindset (Williams & O' Reilly, 1998). An emphasis on diversity, therefore, might unearth biases and stereotypes and lead to differential treatment of people. Inclusion, on the other hand, focuses on treating people fairly and respecting and valuing diverse perspectives and contributions. Several scholars have defined inclusion in different ways. According to Ferdman (2017),

"In inclusive organizations and societies, people of all identities and many styles can be fully themselves while also contributing to the larger collective, as valued and full members" (p. 235). Shore, Randel, Chung, Dean, Ehrhart, and Singh (2011) defined inclusion within a work group as the "degree to which an employee perceives that he or she is an esteemed member of the work group through experiencing treatment that satisfies his or her needs for belongingness and uniqueness" (p. 1265). Using Optimal Distinctiveness Theory (ODT; Brewer, 1991), Shore et al. provided an inclusion framework incorporating the two key elements of belongingness and uniqueness. According to ODT, individuals view themselves as both similar to and distinct from others, seeking a sense of belonging with other individuals while also trying to maintain a unique identity. Shore et al.'s framework posited that individuals will experience inclusion and view themselves as insiders in a workgroup only when both their belongingness and uniqueness needs are fulfilled. In summary, inclusive environments are those in which individuals of all groups feel comfortable being their authentic selves and are secure in the knowledge that their membership is respected, their contributions valued and their needs for belongingness and uniqueness fulfilled.

As discussed earlier, merely having members belonging to different social groups may not necessarily lead to effective integration or positive outcomes. Tacit knowledge sharing among organizational members, one of the critical causes of organizational effectiveness and sustainable competitive advantage, can only be possible when employees perceive the organizational climate as conducive to diversity and inclusion and feel a sense of belonging in such an environment (Ibeawuchi, 2021). A positive and inclusive organizational climate where diversity is valued leads to greater psychological safety and communication satisfaction and thereby influences employee learning behaviour (Guchait, Madera, & Dawson, 2016). Inclusion has also been found to enhance work processes, increase intentions to stay and positively impact trust, organizational justice perceptions and job satisfaction (Hajro, Gibson, & Pudelko, 2017; Hofhuis, van der Rijt, & Vlug, 2016; Kim, 2017; Madera, Dawson, & Guchait, 2016).

A Useful and Relevant Framework
If inclusion and belonging have such a powerful impact on outcomes for both organizations and their employees, why do more organizations not foster such

environments? Acknowledging the value of inclusive environments is easy. The challenge lies in establishing systems, policies and practices which help create and sustain such environments. The investment and commitment required in terms of money time, and effort from people at all levels in the organization and particularly from top management can be daunting. As evident from the literature, however, the investment is worth it. To move in the direction of an inclusive environment, a good first step would be to identify a relevant framework which can help organizations create a step-by-step approach for translating intentions into impactful actions. A useful framework is the Deloitte Diversity and Inclusion Maturity Model provided by Bourke & Dillon (2018). The framework describes four levels through which organizations might move in their quest to create an inclusive workplace. Level 1 is driven by compliance with equal opportunity/affirmative action goals. The focus at this level is merely increasing diversity numbers via recruitment. The legal and/or Human Resources teams take responsibility for any initiatives or programmes and inclusion is notably missing. The workforce is dominated by a cultural majority which expects newcomers to assimilate and follow prevailing cultural norms in order to feel included. Diversity is seen as a problem to be managed and issues are addressed in a reactive manner.

Organizations at Level 2 of the maturity model focus on increasing the representation of specific demographic groups. For this purpose, a business case is articulated and hiring targets are put in place. Various initiatives are taken up such as sensitization seminars, unconscious bias trainings, mentoring, employee resource groups and events such as celebration of Pride Month. While such initiatives are helpful, inclusion is elusive and retention of individuals from under-represented groups continues to be a challenge. Leaders of organizations at Level 3 of the maturity model understand that to attain a truly equitable environment, systemic barriers against under-represented groups will have to be removed. Leaders take a personal interest, link diversity goals to strategic business objectives and pave the way for strategic cultural and systemic change. Metrics are established, progress is monitored and managers at all levels are held accountable for outcomes. To truly transform into an inclusive organization, however, ownership of the process cannot be left to a select group of people. The whole organisation has to be involved. In organisations at Level 4 of the maturity model, employees have a shared sense of purpose and a shared

understanding of what inclusion and belonging mean. Organization-wide structures, systems and practices are revamped to foster cognitive diversity, innovation and high-performance teamwork. People practices and policies flexibly serve every demographic's needs, motivations and aspirations and the external brand of the organization matches its internal reputation.

The Change Process

Reaching Level 4 of the Diversity and Inclusion Maturity Model is a significant challenge for many organizations, but not impossible. Kurt Lewin's Change model (Lewin, 1947) can be useful in helping organizations transition to Level 4. The model explains an organization's transformational journey in three broad steps: (a) Unfreezing the Status Quo (b) Movement to a new State and (c) Refreezing to make the change permanent. The Unfreezing stage begins with a force field analysis. The objective is to identify two sets of factors: those that drive the process of change and those that restrain it. There are various forces that drive the need to create diverse and inclusive workplaces. In India, legal mandates govern public sector hiring. For instance, the Rights of Persons with Disabilities (RPwD) Act of 2016 states that 1% of posts in Government undertakings should be reserved for people with benchmark disabilities. Research showing inclusion's impact on innovation, risk management, brand enhancement and overall financial performance helps make the business case for diversity and inclusion (Shore et al., 2018). Other advantages such as access to a larger talent pool and legitimacy with niche client bases are also important reasons for leaders to make the push towards inclusive workplaces (Ferdman & Deane, 2014). Any transformation, however, is not without its restraining forces. The uncertainty, insecurity, lack of familiarity and fears related to loss of power accompanying any change process (Hussain, Lei, Akram, Haider, Hussain, & Ali, 2018) are amplified in a cultural transformation driven by diversity and inclusion goals. The challenges associated with unconscious biases, conflict-prone interactions and resentment by the majority group increase the difficulty associated with a diversity-related change process.

To unfreeze the status quo, leaders can use some of the methods employed in Levels 1 and 2 of the Diversity and Inclusion Maturity Model. Framing diversity and inclusion goals in terms of strategic business goals would be one of the first steps followed by education and training. Care should be taken, however, to

ensure that sensitization seminars and bias trainings do not devolve into an exercise in shaming and imposing directives on the majority group. Training programs which incorporate scientifically proven techniques for reducing unconscious bias such as perspective taking should be carefully designed and implemented (Galinsky & Moskowitz, 2000). Increasing interactions with members of under-represented groups also helps reduce stereotypes associated with them (Dutton, 2018). Leaders (both official and unofficial) role-modeling inclusion behaviours and using story-telling to convey their commitment to inclusion goals goes a long way in influencing rank and file employees and bringing them on board the inclusion train (Bourke & Dillon, 2018). An important cohort to consider during the unfreezing phase is middle management (Sharma & Good, 2013). This is a group that tends to get overlooked despite having a significant impact on any change initiative involving diversity and inclusion. While top management may signal its commitment and greenlight diversity and inclusion programs, successful implementation of the programs will require buy-in from middle managers. Engaging middle managers in conversations, addressing their questions and concerns and creating experiences that help them learn and reflect will help change mindsets and lead to acceptance and support (Bourke & Dillon, 2018).

The movement phase is characterized by design and implementation of new initiatives. Many organizations create positions such as "Chief Diversity Officer" or entire Diversity & Inclusion teams to lead this phase (Shore et al., 2018). Mentorship and sponsorship programs, employee resource groups, promotion of allyships, events providing networking opportunities and celebration of membership in under-represented groups are some of the popular initiatives practiced by organizations worldwide. For organizations looking for true inclusion, however, deep structural and cultural changes are necessary (Offermann, & Basford, 2014). An example of this is what SAP SE did with its "Autism at Work" program (Pisano & Austin, 2016). To ensure the recruitment, selection, development and engagement of talented autistic individuals, the company revamped several of its people processes. A global plan was rolled out with a clear roadmap containing milestones to be achieved. The plan included the goal to onboard 100 employees with autism within a specified timeframe across SAP's global offices. This goal was based on research determining the approximate percentage of people with autism worldwide. To follow through on

the plan, partnerships were formed with government, non-profit and private organizations to identify, recruit, train and assist autistic individuals in their professional journey and parallel HR processes were created with the goal of absorbing these processes into the mainstream within a specified timeframe. For instance, while a typical hiring and onboarding process involves selection of candidates followed by induction and training, SAP created a process in which identified candidates were first pre-screened (background and reference checks, questionnaires, phone interviews), then moved to a week of "soft skills" training, followed by a four to six weeks long program during which they participated in a series of projects, learned about development methodologies used by SAP and interacted with their potential future managers who were able to get to know them better and assess their competencies. Support systems at work and in their personal lives in the form of Job and Life Coaches aided the development, engagement and retention of employees with autism. Involvement of SAP employees at all levels of the hierarchy helped make the Autism at Work program a success despite its many challenges. Through a strategic and systematic approach to this program, SAP was able to identify areas across the talent lifecycle which could be modified and/or strengthened and in the bargain deeply enhance the company's systems and practices. Efforts such as this in which deep structural and systemic changes are initiated help not only the demographic group for which they are intended, but the organization as a whole (Offermann, & Basford, 2014). Processes are strengthened, cultures enhanced, values reinforced, employees find meaning and purpose in their work and true inclusion leads to diversity of thoughts and ideas.

The refreezing stage in any change process involves a consideration of sustainability. How can new systems and processes be institutionalized and new behaviours and attitudes normalized? Socialization practices which help new joinees assimilate in to the new culture and annual refresher training programs and re-skilling workshops for existing employees are some of the methods that can prove useful. Behavioural nudges, incentives to managers for meeting diversity and inclusion targets, rewards and recognition programs additionally help sustain good practices (Connolly & Groysberg, 2013). Periodic monitoring of progress via systematic data collection is necessary, however, to track and sustain the impact of the new changes (Bourke & Dillon, 2018). Metrics assessing diversity targets achieved and information related to inclusion, belongingness

and retention of historically under-represented groups will help leaders identify and address gaps in the new system. Diversity and Inclusion dashboards and leader boards can also serve as nudges to managers and employees.

Leadership Behaviours

An organization's transformation from a culturally homogeneous entity to an environment thriving on the interactions and collaboration among diverse and highly engaged individuals cannot be complete without supportive leadership behaviours. Bourke & Dillon (2018) emphasize leadership commitment as one of the driving factors in creating and fostering inclusion and a sense of belonging. The authors highlight six inter-related and mutually reinforcing leadership traits that can help leaders drive their organization's transformation. These traits are Commitment, Courage, Cognizance of Bias, Curiosity, Cultural Intelligence and Collaboration. Leaders possessing these traits can use them at each stage of Lewin's model to effectively drive change. During the Unfreezing stage, leaders can communicate their commitment to diversity by sharing how it aligns with the organization's as well as their personal values. By displaying a deep curiosity to learn and adopting an open mindset and listening attitude, they can encourage members belonging to different demographic and social categories to express their hopes, expectations and concerns related to the organization's cultural transformation. They can enhance their cultural intelligence by seeking to understand the perspectives of employees belonging to under-represented groups and invite ideas and suggestions from all employees on how to make the transition fulfilling and effective for all. During the Movement Stage, as the organization begins the process of designing and implementing new systems and processes, leaders will have to be cognizant of their biases. They should be willing to critically examine the merits and demerits of existing or new approaches, be open to feedback and be ready to course correct as needed. They should courageously take a stand on policies that may be unpopular with some of the power centers within the organization, but are necessary to ensure equitable and fair treatment of all groups. In the Refreezing stage, they will again find it necessary to display their commitment and perseverance to prevent employees from slipping back into old behaviours and habits. They can use their collaboration skills to mobilize and inspire employees to focus on the organization's long term goals. By empowering subordinates and providing

them with adequate support, they can help them realize their own potential for inclusive leadership.

Conclusion

A culture of Diversity, Inclusion and Belonging is not a product of quick-fix solutions. To transform a company from a primarily homogeneous entity to one in which socially and demographically diverse individuals feel respected, valued, comfortable being themselves and experience a sense of belonging requires changes at a deeply structural, systemic and cultural level. Enacting such changes requires committed, collaborative and culturally sensitive leaders who are willing to act with courage and an open mindset. This chapter employs a relevant and useful diversity and inclusion framework with appropriate leader behaviours to describe how organizations and leaders can undertake a journey of change if they are willing to go the distance.

References

1. Bourke, j., & dillon, b. (2018). The diversity and inclusion revolution: eight powerful truths. *Deloitte review, 22,* 81-95. Retrieved from: www.deloittereview.com

2. Brewer, m. B. (1991). The social self: on being the same and different at the same time. *Personality and social psychology bulletin*, *17*(5), 475-482. Doi: https://doi.org/10.1177/0146167291175001

3. Connolly, k., & groysberg, b. (2013). Great leaders who make the mix work. *Harvard business review*, *91*. Retrieved from https://hbr.org/2013/09/great-leaders-who-make-the-mix-work

4. Cunningham, g. B., & sagas, m. (2004). Examining the main and interactive effects of deep-and surface-level diversity on job satisfaction and organizational turnover intentions. *Organizational analysis (15517470)*, *12*(3), 319-332,339,341. Retrieved from https://www.proquest.com/scholarly-journals/examining-main-interactive-effects-deep-surface/docview/198630573/se-2

5. Dezsö, c.l. And ross, d.g. (2012), does female representation in top management improve firm performance? A panel data investigation. *Strategic management journal, 33,* 1072-1089. DOI:HTTPS://DOI.ORG/10.1002/SMJ.1955

6. Dutton, K. (2018). Increasing diversity, awareness, and inclusion in corporate culture: investigating communities of practice and resource groups among employees. *Development and Learning in Organizations: An International Journal*, 32(6), 19-21. doi: https://doi.org/10.1108/DLO-11-2018-132

7. Ferdman, B. M. (2017). Paradoxes of inclusion: Understanding and managing the tensions of diversity and multiculturalism. *The Journal of Applied Behavioral Science*, 53(2), 235-263. doi: https://doi.org/10.1177/0021886317702608

8. Ferdman, B. M., & Deane, B. R. (Eds.), (2014). *Diversity at work: The practice of inclusion.* San Francisco, CA: Jossey-Bass.

9. Findler, L., Wind, L. H., & Barak, M. E. M. (2007). The challenge of workforce management in a global society: Modeling the relationship between diversity, inclusion, organizational culture, and employee well-being, job satisfaction and organizational commitment. *Administration in Social Work*, 31(3), 63-94. doi:10.1300/J147v31n03_05

10. Galinsky, A. D., & Moskowitz, G. B. (2000). Perspective-taking: decreasing stereotype expression, stereotype accessibility, and in-group favoritism. *Journal of personality and social psychology*, 78(4), 708. doi: https://psycnet.apa.org/doi/10.1037/0022-3514.78.4.708

11. Guchait, P., Madera, J., & Dawson, M. (2016). Learning in the service environment: The influence of diversity climate. *Journal of Service Theory and Practice,* 26(4), 448-470. doi:https://doi.org/10.1108/JSTP-04-2015-0096

12. Guillaume, Y. R., Dawson, J. F., Otaye-Ebede, L., Woods, S. A., & West, M. A. (2017). Harnessing demographic differences in organizations: What moderates the effects of workplace diversity? *Journal of Organizational Behavior*, 38(2), 276-303. doi: https://doi.org/10.1002/job.2040

13. Hajro, A., Gibson, C. B., & Pudelko, M. (2017). Knowledge exchange processes in multicultural teams: Linking organizational diversity climates to teams' effectiveness. *Academy of Management Journal,* 60(1), 345–372. doi:https://doi.org/10.5465/amj.2014.0442

14. Hofhuis, J., van der Rijt, P. G. A., & Vlug, M. (2016). Diversity climate enhances work outcomes through trust and openness in workgroup communication. *SpringerPlus, 5*(1), 1-14. doi:https://doi.org/10.1186/s40064-016-2499-4

15. Hunt, D. M., Prince, S., Dixon-Fyle, S., & Yee, L. (2018). *Delivering through diversity.* McKinsey & Company.

16. Hussain, S. T., Lei, S., Akram, T., Haider, M. J., Hussain, S. H., & Ali, M. (2018). Kurt Lewin's change model: A critical review of the role of leadership and employee involvement in organizational change. *Journal of Innovation & Knowledge, 3*(3), 123-127. doi:https://doi.org/10.1016/j.jik.2016.07.002

17. Ibeawuchi, K. E. (2021). Diversity climate and workplace belongingness as organizational facilitators of tacit knowledge sharing. *Journal of Knowledge Management, 25*(9), 2178-2195. doi:https://doi.org/10.1108/JKM-10-2020-0768

18. Jaiswal, A., Dyaram, L., & Khatri, N. (2022). Interplay of diversity, inclusion, and politics: Impact on employee well-being. *IIMB Management Review, 34*(3), 195-207. doi:https://doi.org/10.1016/j.iimb.2022.08.002

19. Joshi, A., & Roh, H. (2009). The role of context in work team diversity research: A meta-analytic review. *Academy of management journal, 52*(3), 599-627. doi: https://doi.org/10.5465/amj.2009.41331491

20. Kim, H. S. (2017). The impact of diversity climate for women on female employees' intentions to stay: a cross-cultural study on South Korea and Norway. *American Journal of Industrial and Business Management, 7*(1), 1-14. doi:10.4236/ajibm.2017.71001

21. Lewin, K. (1947). Frontiers in group dynamics: Concept, method and reality in social science; social equilibria and social change. *Human Relations, 1*(1), 5-41. doi: https://doi.org/10.1177/001872674700100103

22. Madera, J. M., Dawson, M., & Guchait, P. (2016). Psychological diversity climate: justice, racioethnic minority status and job satisfaction. *International Journal of Contemporary Hospitality Management, 28*(11), 2514-2532. doi:https://doi.org/10.1108/IJCHM-06-2015-0304

23. Mor Barak, M. E. (2005). *Managing diversity: Toward a globally inclusive workplace.* Thousand Oaks, CA: Sage Publications.

24. Mor Barak, M. E. (2014). *Managing diversity: Toward a globally inclusive workplace (3rd ed.)* Thousand Oaks, CA: Sage Publications.

25. Offermann, L. R., & Basford, T. E. (2014). Inclusive human resource management. In B. M. Ferdman & B. R. Deane, *Diversity at work: The practice of inclusion*, (pp. 229-259). San Francisco, CA: Jossey-Bass. doi: https://doi.org/10.1002/9781118764282.ch8

26. Phillips, K. W. (2014) How diversity works, *Scientific American, 311*(4), 42-47. doi:10.1038/scientificamerican1014-42

27. Phillips, K. W., Northcraft, G. B., & Neale, M. A. (2006) Surface-level diversity and decision-making in groups: When does deep-level similarity help? *Group Processes & Intergroup Relations, 9*(4), 467-482. doi:10.1177/1368430206067557

28. Pisano, G. P., & Austin, R. D. (2016). *SAP SE: Autism at work.* Harvard Business School Case 616-042.

29. Sharma, G., & Good, D. (2013). The work of middle managers: Sensemaking and sensegiving for creating positive social change. *The Journal of Applied Behavioral Science*, *49*(1), 95-122. doi: https://doi.org/10.1177/0021886312471375

30. Shore, L. M., Cleveland, J. N., & Sanchez, D. (2018). Inclusive workplaces: A review and model. *Human Resource Management Review*, *28*(2), 176-189. doi: https://doi.org/10.1016/j.hrmr.2017.07.003.

31. Shore, L. M., Randel, A. E., Chung, B. G., Dean, M. A., Holcombe Ehrhart, K., & Singh, G. (2011). Inclusion and diversity in work groups: A review and model for future research. *Journal of management*, *37*(4), 1262-1289. doi: https://doi.org/10.1177/0149206310385943

32. Williams, K. Y., & O'Reilly III, C. A. (1998). Demography and diversity in organizations: A review of 40 years of research. In B. M. Staw & L. L. Cummings, *Research in Organizational Behavior*, (pp. 77-140). Greenwich, CT: JAI Press.

Author's Profile

Dr. Geeta D'Souza, Assistant Professor-HRBS, School of Business Management, SVKM's NMIMS, Mumbai. Dr. Geeta D'Souza has over 15 years of experience in industry and academia. A Ph.D. in Industrial-Organizational Psychology from Central Michigan University, USA, Dr. D'Souza has worked in the HR Department of a multinational IT Solutions company handling all areas of the employee life-cycle. She has also worked on consultancy projects involving performance management and program evaluation for clients in the United States. Her interest areas include virtual teams, selection, conflict and workplace diversity and inclusion.

Chapter 8

THE PEOPLE-RELATED CONSIDERATION AND INTEGRATION IN M&A

Hema Bajaj

Program Chairperson MBA HR, Associate Professor
Department of HR and Behavioral Science, School of Business Management
SVKM's Narsee Monjee Institute of Management Studies
(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Avni Jagdishwala

Doctoral Scholar, School of Business Management
SVKM's Narsee Monjee Institute of Management Studies
(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Abstract

Mergers and Acquisitions (M&A) are the preferred mode of growth in organizations worldwide. Though mainly undertaken for strategic reasons, the success of a deal is dependent on adequate attention to employees and the effective integration of people. This chapter explores the critical role of cultural and HR (Human resource) due diligence and people integration process in M&A and the impact it can have on the overall realization of the objectives of the deal. Initiatives like communication across various phases of M&A, leadership approach, the establishment of the integration management office, functional and cross-functional teams, and culture-building exercises are discussed in detail. Drawing on case studies and best practices, the chapter emphasizes the need for attention to people practices and culture to ensure M&A success. This chapter, in conjunction with the illustrative case studies, aligns cohesively with endeavors directed towards organization-wide change initiatives.

The People-Related Consideration and Integration in M&A

Keywords: Mergers and Acquisitions, Due Diligence, Integration Process, Case-studies, Integrating People, M&A success.

Introduction

"Mergers are like marriages. They are bringing together two individuals. If you would not marry someone for the "operational efficiencies" they bring in for running a household, then why would you combine two companies with distinct cultures and identities for that matter?"

Simon Sinek

The merger and acquisition activity has been steadily rising through the decades. According to a Price Waterhouse coopers report (2022)[1], nearly fifty-eight thousand mergers and acquisitions (M&A) deals were completed worldwide, involving a value of approximately three thousand and four hundred dollars.

Considering the significant financial interests involved, various stakeholders, such as shareholders, top executives, employees, customers of both the acquiring and acquired firms, investment banks, legal firms, and local communities, all anticipate both monetary and non-monetary benefits. However, the post-merger analysis papers have expressed a lack of optimism regarding the outcomes. Both academics and practitioners assert that over 50% of business transactions fail to generate value for their shareholders. According to Kenny (2020), a recent paper drawing from multiple reports asserts that a significant proportion, specifically 70-80%, of mergers and acquisitions do not achieve their intended objectives. Given the substantial sums at stake, such a considerable failure rate leads to financial losses in billions. Reasons for failure that have been identified range from economic/strategic factors like paying more than the intrinsic value of the acquired, serial acquisitions, CEO overconfidence, acquirer-target relatedness and complementarity, overestimation of synergies to organizational behavior/HR-related factors like cultural incompatibility, insufficient communication, and unnecessary changes in the acquired and non or inadequate involvement of leaders (Renneboog, & Vansteenkiste, 2019; Reus & Lamont,

---

[1]Source: https://www.pwc.com/gx/en/services/deals/trends.html

2009). The potential cause of value erosion in shareholders' wealth is likely employee dissatisfaction.

Many authors like, Nikolaou, Vakola, & Bourantas,(2011), Allred, Boal & Holstein (2005), Marks & Mirvis (1998), Galosy (1990), Schweiger, Ivancevich & Power (1987), and Jemison & Sitkin (1986) identified factors like loss of hierarchical status, clash of cultures, arrogance of the acquiring firm, obsolescence of knowledge of parent firm, parting with trusted subordinates and colleagues, lack of trust, organizational silence, loss of compensation, change in job definition and career plans, relocation or transfer and loss of job for being major reasons for employees discontent after a merger or acquisition. The importance of the human resource department is heightened because of the existence of people-related concerns and burnout. Schweiger & DeNisi (1991), Pablo (1994), Hanson (2001) and Galpin & Herndon (2000) suggest early involvement of HR leaders in the merger process and interventions like timely communication, the early establishment of new organization structure and removal of the role and job-related ambiguities. Multiple studies conducted worldwide and consulting reports have stressed speedy integration, communication, and employee retention (Homburg & Bucerius, 2006; Bauer & Matzler, 2014; Angwin, Mellahi, Gomes, & Peter, 2016; Chao, Kaetzler, Lalani, & Lynch, 2020) as essential factors in the merger and acquisition integration process. Despite these recommendations, the integration process is designed and implemented differently for distinct mergers and acquisitions.

LITERATURE REVIEW

Investopedia.com[2] says, "A merger entails the voluntary agreement of two or more organizations to amalgamate and form a unified entity, which can be perceived as a decision reached by two entities of equal standing. The combination of the two businesses enables the realization of cost reductions and profit enhancements, resulting in increased stakeholder value for both groups involved. This is achieved by leveraging the structural and operative advantages

---

[2] Source: http://www.investopedia.com/university/mergers/mergers1.asp. 5 accessed on October 20, 2023

[3] Source: https://www.mca.gov.in/content/mca/global/en/data-and-reports/reports/other-reports/report-company-law/mergers-and-acquisitions.html accessed on October 20, 2023\

derived from their merger. A conventional merger entails the integration of two comparably sized organizations into a singular legal entity, with the objective of generating a consolidated corporation that possesses a higher value than the aggregate worth of its constituent parts. During a corporate merger, it is customary for shareholders to have their shares in the pre-existing firm replaced with an equivalent sum of shares in the freshly formed entity. According to the Ministry of Corporate Affairs in India, mergers involve the consolidation of two entities into a singular organization. Ministry of Corporate Affairs in India[3], says "Mergers can mean the unification of two players into a single entity".

Investopedia.com elucidates that takeovers and acquisitions are distinguished by the possession of a smaller company by a much larger one. This blend of "unequal" can yield the same benefits as a merger, but it does not necessarily have to be a mutual decision. In the realm of corporate acquisitions, a larger corporation has the ability to instigate hostile takeovers of smaller entities, whereby the larger corporation effectively acquires the smaller company despite encountering opposition from the smaller company's management. In contrast to a merger, an acquisition ideally involves the acquiring firm providing a monetary value per share to the owners of the target firm, or alternatively, offering the acquiring firm's shares to the shareholders of the target firm based on a predetermined conversion ratio. In either scenario, the acquiring business effectively provides the financial resources to acquire the target company, acquiring full ownership and benefiting its shareholders.. According to the Ministry of Corporate Affairs in India[4], "Acquisitions refer to instances in which one party purchases another entity with the intention of integrating it into its own operations. Acquisitions can take the form of a purchase, wherein one business acquires another, or a management buyout, wherein the existing management team purchases the business from its current owners.".

However, the terms 'merger' and 'acquisition' are typically used interchangeably in industry. In this study, we use the term acquisition to define

---

[4] Source: https://www.mca.gov.in/content/mca/global/en/data-and-reports/reports/other-reports/report-company-law/mergers-and-acquisitions.html accessed on October 20, 2023

a situation where one organization acquires a scheming interest and management control in another organization. The term merger is used largely to denote a blend of two Organizations. Thus, in this study, the act of integrating two organizations post an acquisition will also be referred to as a merger. This is deemed necessary, as in many cases like this case study, acquiring organizations choose to refer to the integration practice as a merger. The utilization of alternative terminology by the researcher has the potential to elicit a range of thoughts and behaviors from the personnel of the firms being studied, which may differ from the anticipated outcomes.

HR (Human resource) integration refers to the procedural undertaking of incorporating workers from a combined or acquired organization into the acquiring or merging entity. Bajaj (2007) posits that the process of HR integration has two distinct sub-processes. The initial sub-process facilitates the incorporation of individuals by means of cultural development activities, effective communication, and the facilitation of learning or training pertaining to novel products, policies, and procedures. The second sub-process facilitates the amalgamation of human resource practices and procedures by aligning organizational structures, reward systems, service conditions, and employee relations policies. The significance of HR integration becomes apparent when considering the numerous instances in which mergers have been unsuccessful due to insufficient consideration of HR-related variables. In order to achieve a successful merger or acquisition, it is crucial to allocate appropriate attention to both the sub-processes involved in the due diligence and integration phases.

In the following section, this chapter will examine several instances of both successful and unsuccessful mergers and acquisitions, emphasizing the pivotal role played by cultural and human resource considerations and how they were managed, influencing the outcome of these transactions.

CASE STUDIES

Daimler Chrysler
In November 1998, the US based automaker Chrysler Corporation and the Germany based automaker Daimler-Benz no longer existed. The following day, they underwent a transformation and emerged as DaimlerChrysler AG, boasting

a collective revenue of $130 billion and a market valuation of $92 billion. This transpired as a merger of equals that took place to create a diversified global automotive company with a broad product portfolio, combining Daimler's luxury and premium vehicles with Chrysler's focus on mainstream and mass-market automobiles. The union was meant to be strategic to both companies. The American automaker could expand its presence in Europe and Asia, improve technical capability/quality, include better safety features, and gain from the "Halo" effect of the Mercedes brand association. Daimler was projected to increase business and dealership operations in the USA, gain capabilities of efficient and fast new product development, improve design & styling, and schedule discipline. However, there were many People-Related Challenges that did not allow the integration to take place. There were cultural clashes as Daimler exhibited a corporate culture characterized by a greater emphasis on hierarchy and formality, whereas Chrysler was known for its more spirited and entrepreneurial environment. Daimler was an organization characterized by formality and hierarchy, as evidenced by its dress code of suits and ties, meticulous attention to titles and proper names, and meticulously organized decision-making processes; whereas Chrysler, had dismantled organizational boundaries and encouraged cross-functional teams that valued fair communication, and free-flowing conversations. The variances in compensation, especially concerning Chrysler's CEO Eato and Daimler-Benz's Chairman Schremmp - one compensated at the excessive American CEO amount with stock opportunities and the other at a comparatively lower German salary – became combative issues. Chrysler executives had substantial severance agreements; a reward type not widespread in Germany. Though sincere efforts were made to integrate the two companies, the combination never actually took place. Chrysler was acquired for a mere €5.5 billion ($7.4 billion) by the private equity firm Cerberus in 2007, rendering DaimlerChrysler one of the most unsuccessful mergers of the modern era.

Bank of Baroda, Dena Bank and Vijaya Bank
In 2019, the Indian government pronounced the first three-way union of Bank of Baroda, Vijaya Bank, and Dena Bank, aiming to create the third-largest bank in the nation with a business worth Rs 14.82 lakh crore and a nationwide network of over 9,600 branches. Vijaya bank had a strong hold in South, while Bank of Barod and Dena Bank were more prominent in the west. This geographical

diversity would provide both the newly formed union and its customer basewith broader access. For the government and regulatory system, it was anticipated that the merger would lead to a decrease in the Non-Performing Assets (NPA) ratio of the merged bank in comparison to the NPA ratios of Dena Bank (11.04%), Bank of Baroda (5.40%), and Vijaya Bank (4.10%). This could indicate to reduced principal requirements from the government and enable the larger merged bank, with its stronger capital base of 12.25%, to engage in more extensive lending and business expansion, rather than being constrained by weak financials that limit lending activities. The central aim of this merger was to increase customers, streamline the public-sector banking segment, and empower the combined entity to compete on a global scale in the banking industry. Amidst all the highlights, the deal also came with a variety of challenges in terms of technology integration, branch rationalization, Customer integration of over 100 million customers, employee surplus due to rationalization, and above all massive people integration for over 80,000 employees of the merged bank. In retaliation to the merger, countrywide strikes were organized by bank employee associations, such as the All India Bank Officers Confederation (AIBOC), and the Bank Employees Federation of India (BEFI) and the All India Bank Employees Association (AIBEA). These strikes were prompted by employee concerns regarding job security, changes in working conditions, and the impact on their benefits and job roles resulting from the merger. Simultaneously, a written appeal challenging the merger and claiming violations of banking regulations is currently pending in the Delhi High Court. The amalgamation of three banks brought together employees with varying work cultures. For example, Vijaya Bank's customer-centric and regional approach differed from Bank of Baroda's more centralized corporate culture. Positioning the distribution of professionals in the merged bank and tackling human resources becomes a challenging task, especially in a public sector environment where considerations of seniority hold significant importance. After 7 months of the three-way amalgamation of the country, the Bank of Baroda effectively merged thirty thousand employees from Vijaya Bank and Dena Bank, raising the total headcount to 85,000. As part of the merger procedure, employees from both banks were given the prospect to apply for available internal opening within the new entity, considering their skills and experience. Additionally, the merged bank offered training and development programs to assist employees in acquiring new skills and competencies. Reports

also indicate that employees were redeployed, and successful practices from each bank were implemented in others. For instance, instead of offering a Voluntary Retirement Scheme (VRS), Dena and Vijaya Bank employees were provided the option to disassociate, a choice that was embraced by only a limited number of employees. The bank had also integrated the new setup into its existing four-tier structure, established more zonal and regional bases, and devised a plan for leadership and higher-level resources. The bank successfully integrated 1,770 branches that were formerly operated by Dena Bank in December 2020. Prior to that, in September 2020, it had successfully integrated 2,128 branches that were formerly operated by Vijaya Bank.

MakeMyTrip and Goibibo

In 2016, An all-stock merger took place between travel platform MakeMyTrip, and its competitor Goibibo, with an anticipation to transform the industry crescendos, create market alliance and become the largest operator in the tourism and hospitality package segment. The ultimate aim was establishing strategic complementary and enabling value creation. MakeMyTrip excelled in online travel and premium hotel reservations, while Goibibo had a strong presence in the low-cost hotel sector and acquired redBus to expand into online bus reservation. This merger brought together MakeMyTrip, seen as an established company, and Ibibo, known for its disruptive and innovative approach. MakeMyTrip was older, while Ibibo was a younger company, and blending these different cultures and mindsets presented significant challenges. The merger required harmonizing different facets of business processes and policies among the three entities to ensure seamless operations and make the most of the deal. A crucial area of concern during the integration process included people management and aligning human resource practices and policies for both organizations. These encompassed employee retention, clear communication, management policies as well as downsizing. Strategic decisions related to talent and cultural integration held significant influence over the workforce's capabilities as both organizations had large teams.   Both organizations had established functional organizational structures that required consolidation into a unified and optimal structure.

Integration issues resulted from the amalgamation of diverse teams and cultures, often leading to the reassignment of responsibilities and creating uncertainty.

Conflicting commitments to retaining all employees between the newly appointed senior executives and the practical need for efficiency caused redundancy when multiple employees performed the same role. To address these issues, the organization followed a carefully planned sequence. They first focused on uniting the market-facing teams, starting with hotel supply teams and followed by aviation and ground supply teams. Client service and knowledge teams were next in line, with revenue management functions to be integrated later. The product segment and technical teams were scheduled for the final stage. They formed an integration project team to align various organizational processes grounded on the principles of leveraging collaborations and augmenting impact. The HR function played a crucial role in areas such as talent retention, sentiment management, procedure alignment, organizational restructuring, performance management, compensation and benefits synchronization, role clarity communication, & employer branding. The overall approach was centered on unity and mutual growth, with a strong focus on effective alignment and clear priorities. The core principles guiding this integration emphasized unity of thought and purpose, fostering a strong sense of unity embodied in the concept of "Force-one." It aimed to emphasize the idea that by joining forces, the organization could grow and succeed together. This approach promoted a shared mindset and collaborative spirit to achieve collective success in the merged entity. As the integration process concludes, the merged company has successfully combined critical functions, including the people management teams, finance, and legal. Additionally, all technology teams have transitioned to a common facility in Bengaluru. While the data centers and call centers remain separate entities, the combined brand now utilizes a unified extranet and payment systems across all three brands.

Amazon and Whole Foods
In 2017, Amazon completed its monumental $13.7 billion acquisition of Whole Foods, marking the most substantial purchase in the history of the e-commerce and cloud computing behemoth. The Vertical integration would enable Amazon to expand its business beyond e-commerce by establishing a presence in numerous retail stores to sell groceries, all the while gathering valuable customer information. At the same time, Whole Foods could reduce its prices and expand its operations following a period of declining sales and market share. According to John Mackey, the CEO of Whole Foods, the collaboration

was an immediate and strong connection. In the years that followed, Amazon implemented numerous transformations within the specialty grocery chain, including price reductions and the integration of checkout technology in over 500 U.S. stores. A year into the acquisition, a faction of employees at whole foods sent out an email to thousands of their colleagues, outlining a series of concerns related to the acquisition. These concerns encompassed issues such as eliminating certain stock options and the ongoing expectation to accomplish more with reduced resources and compensation. A portion of the workforce made attempts to create unions through the various categories of store Union, but progress in these endeavors was stalled by Amazon. The core incompatibility clash between the cultures of Amazon and Whole Foods resulted in less-than-ideal outcomes for the combined entity. Amazon's culture prioritizes efficiency, technology, and a less personalized approach, while Whole Foods is driven by a more idealistic set of values and methods. It was frequently reported that attempts to streamline Whole Foods' processes for greater efficiency led to adverse effects on employee morale. The clash between Amazon's approach and Whole Foods' culture created tension among Whole Foods employees which also alienated the core customer base initially and the margins dropped. The significant loss of personnel at Whole Foods raised concerns among both employees and suppliers about the potential erosion of Whole Foods' unique qualities under Amazon's ownership. However, Amazon was attentive to these concerns, and the senior management at Amazon, along with Whole Foods' CEO John McKay, reached an agreement that Whole Foods would preserve its cultural identity while leveraging crucial aspects of Amazon's culture and operations necessary for competing in the grocery industry, including expertise in logistics, customer insights, and agile decision-making. Amazon acknowledged the importance of cultural alignment in the change management process and took steps to integrate the cultures of both organizations, ensuring that Whole Foods' employees felt valued and supported during the transition. Amazon's support played a pivotal role in the successful acquisition of Whole Foods. Despite initial differences in company cultures, Amazon's operational efficiency, long-term vision, resources, and technological capabilities enabled Whole Foods to adapt and enhance its operations. Amazon's flexibility in creating a shared identity underscored its commitment to a harmonious merger. Up to this point, the Whole Foods-Amazon merger had been viewed as mutually beneficial - improving Whole Foods' supply chain and facilitating Amazon's

entry into the grocery sector. Nevertheless, conflicting values posed challenges to their partnership. To ensure their merger's success, it is likely that one or both companies will need to make adjustments.

Nextel and Sprint communications

Sprint made a significant move in the telecommunications sector with the acquisition of a majority stake in Nextel Communications in August, 2005, involving a substantial $37.8 billion stock purchase. This strategic maneuver led to the formation of one of the largest telecommunications service providers in the United States, trailing behind industry giants Verizon and AT&T. Sprint's primary focus had traditionally been on serving the consumer market, offering services such as International and domestic phone connections, as well as wireless services. Conversely, Nextel had established itself in the business world, particularly among professionals in infrastructure, transportation, and logistics sectors, grateful to the unique 'press & talk' feature of its mobile devices. The underlying concept of this merger was to tap into each other's customer bases, diversifying the range of products and services available and thereby fostering growth. However, what initially appeared as a promising partnership quickly unveiled inherent challenges. Soon after the merger, numerous executives from Nextel and middle-level managers departed, quoting substantial cultural disparities & lack of compatibility between the two organizations. Sprint had a bureaucratic culture, while Nextel fostered a more entrepreneurial spirit. Nextel was renowned for its attentiveness to client needs, while Sprint had a notoriety for subpar customer service, resulting in the highest customer turnover rate in the industry. This discrepancy in service quality eroded market share, a situation exacerbated by a broader economic downturn that raised customer expectations.Cultural differences continued to impede integration efforts, with Nextel employees often requiring support from Sprint's superiors for necessary actions. Trust and rapport issues further hindered this process. Initially, the companies maintained separate headquarters, complicating coordination between their executives. As the merger advanced, Sprint Nextel found itself allocating significant attention and resources to making the combination work while concurrently grappling with operational and competitive challenges. The rapidly evolving nature of the wireless and Internet industries demanded a seamless integration and efficient execution, which was made complex by Nextel's size and distinct identity. Sprint encountered fierce

competition from AT&T, which had acquired Cingular, Verizon, and Steve Job's widely popular Apple iPhone. Declining cash flow from operations and substantial capital expenditure requirements led to economizing measures and employee layoffs.

In 2008, Sprint incurred an astonishing $30 billion in one-time charges due to goodwill impairment, and its stock rating descended to "junk" status. Ultimately, with a price tag of $35 billion, the Sprint-Nextel merger fell short of delivering the intended outcomes. The clash of cultures, challenges in merging the two businesses, and the competitive landscape played significant roles in its downfall, offering a cautionary lesson in the realm of corporate mergers and acquisitions. This example underscores the paramount importance of cultural alignment and effective integration strategies in such transformative business endeavors.

CONCLUSION

In conclusion, this study underscores the critical significance recognizing of addressing HR integration issues in mergers and acquisitions (M&A). As organizations embark on the complex journey of growing inorganically through M&A activities, the effective integration of human resources emerges as a key for success. The combination of disparate corporate cultures, policies, and personnel necessitates a strategic as well as operational approach to HR integration.

First and foremost, recognizing the human and cultural challenges in M&A is paramount. Failure to analyse the cultural and the human side of M&A can lead to clashes, inertia, diminished morale, increased turnover, and a decline in overall organizational performance. The study highlights that a proactive and people-centric HR integration strategy is instrumental in mitigating these risks, fostering a positive work environment, and ensuring a smoother transition for all stakeholders involved.

Moreover, the findings emphasize the importance of early planning and due diligence in the HR integration process. Organizations that neglect to thoroughly assess the cultural, structural, and talent-related aspects of their merger or acquisition may find themselves grappling with unforeseen challenges.

Establishing a comprehensive HR integration plan from the outset not only enables a more seamless transition but also provides a roadmap for navigating potential hurdles and capitalizing on synergies.

Additionally, the study underscores the role of effective communication throughout the integration process. Clear and transparent communication helps allay fears, build trust, and engage employees in the shared vision of the newly integrated entity. HR professionals play a pivotal role in facilitating this communication, ensuring that employees at all levels are well-informed and feel a sense of ownership in the transition.

References

1. Allred, B., Kimberly B. & Holstein, W. (2005). Corporations as stepfamilies: a new metaphor for explaining the fate of merged and acquired companies. Academy of Management Executive, 19(3), 23-37.

2. Angwin, D., Mellahi, K., Gomes, E., & Peter, E. 2016. How communication approaches impact mergers and acquisitions outcomes. The International Journal of Human Resource Management, 27(20), 2370-2397.

3. Bajaj, H. (2007). The process of HR integration in mergers and acquisitions. Unpublished M.Phil. Dissertation. Tata Institute of Social Sciences, Mumbai.

4. Bajaj, H. (2009). HR integration in mergers and acquisitions: a study of the process and its determinants. Unpublished doctoral dissertation, Tata Institute of Social Sciences, Mumbai.

5. Bajaj, H. (2012). HR integration in mergers and acquisitions: Impact of relative size and performance of the combining organizations. Great Lakes Herald, 6(1), 1-15.

6. Bauer, F. & M, Kurt. (2014). Antecedents of M&A success: The role of strategic complementarity, cultural fit, and degree and speed of integration. Strategic Management Journal. 35(2), 269–291.

7. Change Management Insight. (2019). Amazon Change Management Case Study - https://changemanagementinsight.com/amazon-change-management-case-study/ <accessed on 06/11/2023>

8. Chao, J., Kaetzler, B., Lalani, N., & Lynch, L. (2020). Talent retention and selection in M&A. McKinsey & Company.

9. CNBC. (2022). How Whole Foods Has Changed in the Five Years Since Amazon Took Over - https://www.cnbc.com/2022/08/25/how-whole-foods-has-changed-in-the-five-years-since-amazon <accessed on 06/11/2023>

10. Economic Times. (2017). MakeMyTrip-Ibibo merger: How combined entity continues to struggle with problems old and new - https://economictimes.indiatimes.com/small-biz/startups/features/makemytrip-ibibo-merger-how-combined-entity-

continues-to-struggle-with-problems-old-and-
new/articleshow/62658501.cms <accessed on 06/11/2023>

11. Economic Times. (2019). Bank of Baroda completes integration of erstwhile
    Dena, Vijaya Banks with itself -
    https://economictimes.indiatimes.com/industry/banking/finance/banking
    /bank-of-baroda-completes-integration-of-erstwhile-dena-vijaya-banks-with-
    itself/articleshow/79825144.cms <accessed on 06/11/2023>

12. Economic Times. (2019). Bank of Baroda, Accenture complete technology
    integration of former Vijaya Bank's branches
    https://economictimes.indiatimes.com/industry/banking/finance/banking
    /bank-of-baroda-accenture-complete-technology-integration-of-former-
    vijaya-banks-branches/articleshow/78745776.cms <accessed on 06/11/2023>

13. Economic Times. (n.d.). Bank of Baroda integrates 30,000 employees of Vijaya
    & Dena Banks in 7 months -
    https://economictimes.indiatimes.com/industry/banking/finance/banking
    /bank-of-baroda-integrates-30000-employees-of-vijaya-dena-banks-in-7-
    months/articleshow/72013727.cms <accessed on 06/11/2023>

14. EduBirdie. (2018). Case study on amalgamation of Vijaya Bank and Dena
    Bank with Bank of Baroda - https://edubirdie.com/examples/case-study-
    on-amalgamation-of-vijaya-bank-and-dena-bank-with-bank-of-baroda/
    <accessed on 06/11/2023>

15. Forbes. (2019). How Amazon Changed Whole Foods -
    https://www.forbes.com/sites/stevebanker/2019/06/25/how-amazon-
    changed-whole-foods/?sh=7325eda978dd <accessed on 07/11/2023>

16. Forbes. (2019.). Marrying Cultures and Brand Pillars in an Acquisition -
    https://www.forbes.com/sites/forbescommunicationscouncil/2019/03/07/
    marrying-cultures-and-brand-pillars-in-an-acquisition/?sh=217f9c1f6bc2
    <accessed on 06/11/2023>

17. Galosy, J. R. (1990). The human factor in mergers and acquisitions. Training
    & Development Journal, 44(4), 90-96.

18. Galpin, T. and Mark Herndon. (2000). The complete guide to mergers and acquisitions: process tools to support M&A integration at every level. San Francisco: Jossey-Bass.

19. Hanson, P. (2001). The M&A transition guide: a 10- step roadmap for workforce integration. New York: John Wiley and Sons.

20. Harvard Business Review. (2018). One Reason Mergers Fail: The Two Cultures Aren't Compatible - https://hbr.org/2018/10/one-reason-mergers-fail-the-two-cultures-arent-compatible <accessed on 07/11/2023>

21. Harvard Business School. (n.d.). MakeMyTrip: The Ibibo merger - https://hbsp.harvard.edu/product/IMB891-PDF-ENG <accessed on 06/11/2023>

22. Homburg C & Bucerius M. (2006). Is speed of integration really a success factor of mergers and acquisitions? An analysis of the role of internal and external relatedness. Strategic Management Journal, 27: 347-367.

23. Jemison, David B. and Sim B. Sitkin. (1986). Corporate acquisitions: a process perspective. Academy of Management Review, 11(1): 145-163.

24. Kenny, G. (2000). Don't make this common M&A mistake. Harvard Business Review, 17 March.

25. LeFave, R., Branch, B., Brown, C. V., & Wixom, B. (2008). How Sprint Nextel reconfigured IT resources for results. MIS Quarterly Executive, 7(4).

26. Marks, M. and Philip, M. (1998). Joining forces. San Francisco: Jossey-Bass.

27. Hanson, G. H., Conférence des Nations Unies sur le commerce et le développement, & Center for international development (Cambridge, Mass). (2001). Should countries promote foreign direct investment? (Vol. 9). UN.

28. Nikolaou, I., Vakola, M., & Bourantas, D. (2011). The role of silence on employees' attitudes "the day after" a merger. Personnel Review, 40(6), 723-741.

29. Pablo, A. (1994). Determinants of Acquisition Integration Level: A Decision Making Perspective. The Academy of Management Journal, 37 (4): 803-836.

30. Renneboog, L., & Vansteenkiste, C. (2019). Failure and success in mergers and acquisitions. Journal of Corporate Finance, 58, 650-699.

31. Reus, T. & Lamont, B. (2009). The double-edged sword of cultural distance in international acquisitions. Journal of International Business Studies, 40(8), 1298–1316.

32. Schweiger, D and Angelo, D. (1991). Communication with employees following a merger: a longitudinal field experiment. Academy of Management Journal, 34(1): 110-135.

33. Schweiger, D., Ivancevich, J., & Frank, P. (1987). Executive Actions for Managing Human Resources before and after Acquisition. The Academy of Management Executive, 1(2), 127–138.

34. Weinberg, N., Maiello, M., & Randall, D. K. (2008). Paying For Failure. Forbes, 181(10), 114.

35. Zee Business. (2020). Bank of Baroda merger with Dena Bank, Vijaya Bank in just months: Check out biggest challenge - https://www.zeebiz.com/india/news-bank-of-baroda-merger-with-dena-bank-vijaya-bank-in-just-months-check-out-biggest-challenge-65305 <accessed on 06/11/2023>

Authors' Profile

Dr. Hema Bajaj is an Associate Professor, Program Chairperson - MBA-HR, and Area Chairperson- Human Resources and Behavioral Sciences at the School of Business Management at NMIMS-Mumbai. She has more than twenty-five years of extensive experience in industry and academia. Hema holds Ph.D. and M.Phil. Degrees from Tata Institute of Social Sciences (TISS)- Mumbai. Her research and publications are in Mergers and Acquisitions, Rewards and Recognition, Employee Well-being, Organization Culture, and Social Exchange. She offers courses like Employee Rewards, Mergers and Acquisitions, Business Research, and Ethnographic Methods. Hema has worked in the Pharmaceutical, Travel, and Tourism sectors and provides training to and consults with a diverse array of private, public, and MNC companies.

Ms. Avni Jagdishwala is currently engaged in doctoral studies at the School of Business Management, NMIMS, Mumbai, with a focus on strategic people management. With an extensive professional expertise, she has specialized in addressing challenges related to strategic talent management, navigating business resource dynamics during change implementation, and enhancing people and process capabilities across diverse sectors. Avni's research pursuits are particularly centered around the complexities of people integration during international mergers and acquisitions.

Chapter 9

BLUE COLLARED EMPLOYEE READINESS FOR AN ORGANIZATION WIDE CHANGE PROCESS

Subhashis Sinha

Professor of Practice, School of Business Management

SVKM's Narsee Monjee Institute of Management Studies

(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Abstract

The demand fulfilment structure of most manufacturing organizations is a result of the robust supply chain of such organizations (Ketchen et al., 2007). Manufacturing plants' agility and productivity is a critical component of its supply chain. To have an engaged workforce (Seijts & Crim, 2006), keeping in tune with the expectation of the times, some of the manual practices impacting the operators/team members in manufacturing plants needed to be modified /updated for excellent employee experience which is a prerequisite for an engaged workforce. The role of technology becomes paramount in many such endeavours. However, technology enabled changed management makes employees apprehensive (Venkatesh & Bala, 2008) - especially the operators. This chapter captures the dilemma, fears and challenges of the various stakeholders and gives an insight regarding the readiness of the blue collared workforce and how a change management endeavour was initiated, undertaken, and implemented in a manufacturing set up for such a workforce.

Keywords: Change Management, Technology, Engaged Workforce.

Introduction

Gujarat is home to many industrial set ups. Over the years, the state's industrial friendly policies coupled with excellent work ethic of the local populace have made it one of the preferred investment destinations for Indian as well as many multinational organizations (DGFASLI, 2023). Some of these investments were made as early as 1980s and were operationalized in the form of manufacturing set ups of large organizations. With the advent of India's liberalization in 1991 (Economic Times, 2022), the state attracted further investments which led to rapid industrialization and generated employment for the state. These manufacturing set ups also attracted people from states such as Uttar Pradesh and Bihar since 1980s and most of them settled down in the industrial townships in different districts of Gujarat as well. Post the opening up of the economy in 1991, India attracted further investments across sectors which led to an increased level of competition across the spectrum of sectors. Many of these manufacturing plants had their own Unions and got affiliated to one political party or the other. Wage increases were mandated by labour laws and after every three year a long-term settlement would need to be signed between the management and the Union. This settlement would typically result in an increase in per unit productivity from the employees in lieu of adequate increase in compensation for the employees. The process would typically entail Union-Management negotiations and in case negotiations failed to reach an amicable settlement as per the expectation of both Union and the management then government machinery in the form of intervention by the local labour commissioner would be invoked. Over a period, some of the existing manufacturing facilities of many of these organizations were unable to generate an adequate increase in productivity to compensate for the concomitant wage increases This could be primarily attributed to old machines which had manual processes and involved significant manual labour which beyond a point could not produce an adequate increase in productivity. Given that the land was fixed in such manufacturing set ups, and number of employees were also fixed, the only way in which adequate productivity could be achieved was by leveraging technology. Manufacturing technology had grown in leaps and bounds since 1980s and modern technology was available for procurement and deployment to these facilities. However, any such technology enabled changes posed a significant challenge for these organizations since technology enabled change tended to make employees apprehensive. What made this challenge significant

was the presence of Union in most of these organizations. This chapter aims to trace the challenges, dilemmas, and fears among the various stakeholders of a leading chemical organization that undertook a technology enabled change management and captures the various stages of this change management process through Lewin's change management framework.

The background, the business challenge, and the need for change

The demand fulfilment structure of the organization under examination was a result of its robust supply chain which was heavily dependent on the manufacturing plants' agility and productivity. This manufacturing plant was the oldest plant of this organization and was known for its customer centricity and agility in turning around new products. The manufacturing operations largely involved old machines -which although relevant during the time of their procurement was not in tune with the present times. Many of the manufacturing processes were manual in nature and entailed severe ergonomic load to be undertaken by the operators. Also, since the machines were ageing and the employee salaries needed to be revised every three years as per the long-term wage settlement process applicable to a Unionised set up, there was diminishing marginal productivity rise. To have an engaged workforce, keeping in tune with the expectation of the times, some of the age-old manual processes and systems impacting the operators in the plant needed to be modified /updated for excellent employee experience which was a prerequisite for an engaged workforce. While the management was aware of this issue and had been keenly evaluating various options-the realistic option which seemed to be a panacea to these manual processes was technology enabled machine upgradation. Although, the possible role of technology-enabled process changes seemed to offer a possible panacea to this problem, technology enabled changed management made employees apprehensive-especially the operators. To make matters more complex, the plant had a unionized workforce and Union was not keen to welcome any such technological enabled changed endevaour.

The blue collared workforce and their apprehensions

The overall number of operators was 432 and the average age of the operators in this plant was 42 years with an average of experience of 20 years plus. The nature of work that most of the operators did on the shop floor encompassed packing materials. The packing process had several stages and all the stages

involved repetitive manual intervention. This also meant that the operators were used to a set way of working. Given that most of the operators had education up to the tenth standard, there was tremendous inertia regarding any change of work processes that would involve technological upgradation, It did not help that the Union members abetted such fears by citing examples from other industrial units in the adjacent areas where there was retrenchment as a result of technological upgradation. Although, the operators were aware that a change in the existing manual processes aided by technology will surely reduce their ergonomic load-they were still very unsure of any such change -and can be said to be extremely apprehensive.

The Union

The plant had a multiple Union structure and generally the power rotated amongst 2 different Unions which had affiliation to two major political parties of the country. One of the key bargaining points for the Union in this plant was the prevalence of manual machines and its associated processes and how the same led to ergonomic issues for the ageing workforce. This provided continuous ammunition to the Union. So, while the Union would regularly create IR issues related to these old machines, the Union also knew that in case a technology enabled upgradation is carried out, all such issues would dry up and then it would lose its relative relevance. Also, even with the best of intentions, the Union was sceptic as to if this change process was initiated under its aegis and if it did not fulfil its promise of reducing ergonomic load and increased productivity, then the Union would be losing face in front of its members which may turn the tide against the prevailing Union.

The Management

The senior management of the plant was aware of the diminishing productivity increase when compared to the increase in the wage rate of the operators. The problem had become more pronounced in recent times as the management had to give an extra rise in wage increase in the last long-term wage settlement which was necessitated by the above norm increments that some of the adjoining plants belonging to different industries received and this organization had to concur to ensure that they maintained pay parity with the available benchmark. So, while the management was keen on initiating a technology enabled upgradation, it was extremely apprehensive since the larger organization was

extremely dependant on this plant for new products and any stoppage of production would impact business severely. As the management had a sense of the ground realities and was aware of the apprehensiveness of the operators and the reluctance of the Union with respect to technology based up gradation of the manual ageing machines, the decision for the management was not an easy one.

Change Management

For organizations to remain competitive and relevant in a rapidly changing business environment, they need to manage change processes efficiently. The definition of change has however been heavily contested by academicians and practitioners alike *(By, 2005).* However there seems to be a consensus regarding the linkage of change and strategy of an organization -given that change management processes are enablers of sustenance for organizations (Burnes, 1996). Given the importance of managing change from an organization's point of view, change management professionals are high in demand across organizations (Whelan-Berry & Somerville, 2010). However many change management efforts fail due to wrong choice and implementation of a relevant framework (By, 2005). As such it becomes extremely important for organizations to anchor their change management endeavours on a robust change management framework. Lewin's change framework is one of the most time-tested ones (Burnes, 2004) and mentions that change management process to be made up of three stages-namely, unfreeze, change and refreeze. Given the complexity of the technology upgradation process in this organization, the senior management of the organization initiated the change management process in this organization by mapping key elements of the change management process.

Unfreeze Stage -Creation of the Right Environment

Given that the multiple stakeholders described herein had very different reservations, the management of this organization created plans for all of them keeping in mind the relevant reservations that each stakeholder group had. First and foremost, the management decided to use transparent communication with the Union leaders of both the factions. While the standard practice was to have separate communication with the Union leaders of the different factions, on this occasion, the management decided and influenced the Union leaders to have a series of common meetings. In those meetings, management laid out the

complete plans with respect to the upgradation of the machinery and why it was needed for the sustenance of the plant. The Union leaders, although, convinced that this step was necessary for the sustenance of the plant, was concerned that one of the major negotiating points for them would be eliminated once the technological upgradation got implemented since this would resolve most shop floor issues that used to be a recurring theme with the ageing manual machines. This was a sense that the management already had and had adequately prepared so that the Union leaders did not go out without getting a win-win feeling. To compensate for the anticipated reduced bargaining power of the Union, the management proposed a self-managed team structure for the operators on the shop floor. This essentially meant that the work allocation and productivity would hence forth be under the aegis of the Union and the office bearers of the Union would oversee deploying operators for the various shifts. The management also proposed a group-productivity related work arrangement-this essentially meant that the management would not be monitoring individual productivity of operators and would only be monitoring group-productivity of a set of operators. This offered few advantages for the Union-firstly, the Union would be empowered to take decisions to manage shop floor related deployment depending on the manpower strength available for a particular day. This would also help the Union be in regular touch with the operators. Secondly, the plant had a history of absenteeism, and the Union was under constant pressure from the management to support disciplinary actions against the deviant operators. The Union for obvious reasons would not support the management proactively on such issues which frequently led to Union-Management conflicts. The Union leaders saw an opportunity in this process. Most of the operators lived in adjacent villages near the plant and many of them belonged to the same village and had common relatives and friends. The Union leaders were convinced that the group productivity arrangement could work better for them and the operators since the Union could use the peer pressure amongst the known operator communities to get them to improve their absenteeism rate. This arrangement with the Union, was a win-win for both the management and the Union. The Union benefitted by additional responsibility which increased the relevance of the Union in front of its voter base or the operators -the management was able to convince the Union regarding the utility of the technology based upgradation and also managed to lay the seed of self-management teams which was the only way the plant could sustain and increase

productivity as individual diminishing productivity was not able to keep pace with the increase in the wage rate of the plant.

After having onboarded the Union, the management sort the Union leaders' support in identifying potential thought leaders and opinion makers from amongst the operator community. This was a critical exercise since few naysayers could easily derail the proposed technology enabled upgradation. The thought leaders and opinion makers were carefully jointly identified and chosen by the Union and the management. Care was taken to ensure that representation was there from every manufacturing section-in addition different age group representation was considered as well and technology related interest level was assessed basis informal feedback from the Union. A set of 27 operators were identified as the change evangelists for this technological upgradation exercise. Once the identification was completed. the management representatives had a series of onboarding sessions with the change evangelists-explaining the rationale of the change, handling objections, and offering support mechanisms. One major issue that kept surfacing in these meetings was that the change evangelists seemed to be uncertain regarding the exact change in nature of work. To handle this situation, the management did three things. Firstly, the management got the Original Equipment Manufacturer (OEM) to train the change evangelists in its set ups. Secondly, these change evangelists were taken on an industrial tour of two different organizations where the OEM manufacturer had done a similar technological upgradation. In such organizations, the management with the support of the OEM ensured that the identified change evangelists and the Union could have detailed conversations with a wide section of employees belonging to different sections of the plant, this was immensely useful as this really helped the change evangelists and Union understand the granularities of the upgraded machines and the fear associated with technological upgradation was largely assuaged. Lastly, the management assured that there would be continuous support from the OEM supplier for a continuous period of six months to ensure that the machine related know how is transferred adequately to each employee where the upgradation would be implemented.

Change & Refreeze Stage -Support Change to the desired stage & Reinforce to anchor the change

Having spent significant time and effort during the unfreeze stage, the management carefully chose a few manufacturing sections where this technological upgradation would be piloted for the first 15 days. This was done as per the advice and consultation from the Union as well as the change evangelists. Once the locations were chosen, the management representatives, change evangelist and the Union along with the key personnel (block champions) of the relevant sections spent considerable time training the operators of these sections. Additionally, to ensure that there was a sense of ownership amongst the operators, there was a gamification anchored contest created which resulted in a catchy communication campaign for this change endeavour. In this endeavour, the block champions from each section played a key role and ensured that adequate support was provided to the older colleagues. During these stages. it was extremely important for the management to gain trust of the operators by ensuring that the new system was implemented well, and the operators got the necessary confidence so that the upgraded machines could be leveraged to its fullest potential. To do so the OEM had provided continuous 24*7 on premise support so that any easy with the new machines could be readily resolved and productivity did not take a hit. The management also ensured that the managerial cadre of the plant for every section was readily available to assuage any misconstrued fears or objections. Also, a reward mechanism was rolled out to recognize the effort of the change evangelists and the block champions and the same was propagated across all the blocks of the plant. A review mechanism and a governing committee was formed which reviewed the day's overall productivity and handled any anomalies so that no issue could be blown out of proportion. Lastly, the management with the support of the union also ensured that during the month end high productivity pressure points, all old machines were completely shut. This was a very strong message to the operators that irrespective of the situation the organization would only work with the upgraded machines-so even if it impacted any short run productivity due to any teething issues, the management was truly invested in the new way of working with the upgraded machinery.The overall change management process as mapped to the Lewin's framework is depicted in Figure 1.
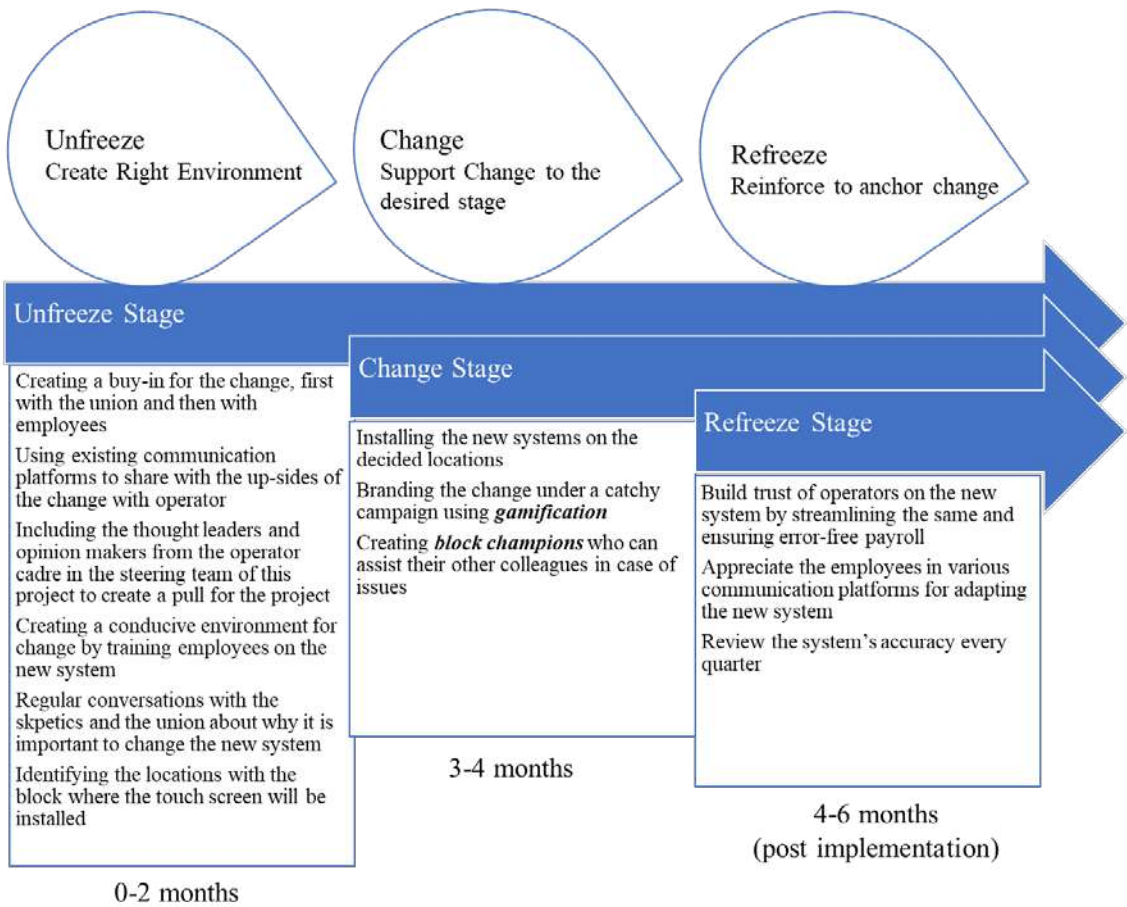
Unfreeze
Create Right Environment

Change
Support Change to the desired stage

Refreeze
Reinforce to anchor change

Unfreeze Stage

Creating a buy-in for the change, first with the union and then with employees

Using existing communication platforms to share with the up-sides of the change with operator

Including the thought leaders and opinion makers from the operator cadre in the steering team of this project to create a pull for the project

Creating a conducive environment for change by training employees on the new system

Regular conversations with the skpetics and the union about why it is important to change the new system

Identifying the locations with the block where the touch screen will be installed

0-2 months

Change Stage

Installing the new systems on the decided locations

Branding the change under a catchy campaign using *gamification*

Creating *block champions* who can assist their other colleagues in case of issues

3-4 months

Refreeze Stage

Build trust of operators on the new system by streamlining the same and ensuring error-free payroll

Appreciate the employees in various communication platforms for adapting the new system

Review the system's accuracy every quarter

4-6 months
(post implementation)

Figure 1: Change Management Framework.
Source: Adapted from Lewin, (1951).
Source: Author's own work.

Conclusion

Change management for a blue collared workforce was never going to be easy - especially when it was aided by technology. The management of this organization was quick to ascertain the same. Given the overarching need to stay relevant and competitive on one hand and also to ensure that modern work practices had to be introduced for an engaged workforce on the other hand, the senior management had finally decided to initiate the change management endeavour in this manufacturing plant. Refer Exhibit 1 for phase wise details of the change management process. There was initial resistance from different set of stakeholders. What really helped was the Union onboarding and co creation of the change management plan in conjunction with the Union and the phase wise implementation of the plan along with the identified change evangelists In

addition the ongoing and necessary support system that the management provisioned for and provided for at every stage of this change management process was critical in ensuring that the technology enabled upgradation of machines was accepted and adopted by the blue collared workforce of the organization.

References

1. Burnes, B. (1996). No such thing as… a "one best way" to manage organizational change. *Management Decision*, *34*(10), 11–18.

2. Burnes, B. (2004). Kurt Lewin and the Planned Approach to Change: A Re-appraisal. *Journal of Management Studies*, *41*(6), 977–1002. https://doi.org/10.1111/j.1467-6486.2004.00463.x

3. By, R. T. (2005). Organisational change management: A critical review. *Journal of Change Management*, *5*(4), 369–380. https://doi.org/10.1080/14697010500359250.

4. DGFASLI. (2023). INDUSTRIAL DEVELOPMENT IN THE STATE OF GUJARAT, The *Directorate General, Factory Advice and Labour Institutes (DGFASLI).* https://dgfasli.gov.in/en/book-page/industrial-development-state-gujarat.

5. Economic Times. (2022). On this day in 1991: A landmark budget that changed India's fortunes, The Economic Times. https://economictimes.indiatimes.com/news/economy/policy/on-this-day-in-1991-a-landmark-budget-that-changed-indias-fortunes/articleshow/93090439.cms

6. Ketchen, D. J., Hult, G. T. M., & Slater, S. F. (2007). Toward greater understanding of market orientation and the resource-based view. *Strategic Management Journal*, *28*(9), 961–964. https://doi.org/10.1002/smj.620

7. Lewin, K. (1951). *Field theory in social science: Selected theoretical papers (Edited by Dorwin Cartwright.).* https://psycnet.apa.org/record/1951-06769-000

8. Seijts, G. H., & Crim, D. (2006). What engages employees the most or, the ten C's of employee engagement. *Ivey Business Journal*, *70*(4), 1–5.

9. Venkatesh, V., & Bala, H. (2008). Technology Acceptance Model 3 and a Research Agenda on Interventions. *Decision Sciences*, *39*(2), 273–315. https://doi.org/10.1111/j.1540-5915.2008.00192.x

10. Whelan-Berry, K. S., & Somerville, K. A. (2010). Linking Change Drivers and the Organizational Change Process: A Review and Synthesis. *Journal of Change Management*, *10*(2), 175–193. https://doi.org/10.1080/14697011003795651

Author's Profile

Subhashis Sinha is current a Professor of Practice in HRBS, SBM, Mumbai. With close to two decades of corporate experience in multi-cultural environments, across services and manufacturing organizations both in MNCs and Indian organisations, Subhashis worked with a wide network of practitioners and academicians around the world. In his last role he was the CHRO for TBZ-The Original and before that he was the Head of HR for Asian Paints' Home Improvement business and had led the Leadership Development, Talent Management , DEI and Technology Enabled practices for Asian Paints and its International business units. He has published research in peer reviewed journals(ABDC-B), case studies in Emerald Emerging Markets Case Studies and has also presented in ANZAM. At present he is working as a Professor of Practice in the HR & Behavioural Sciences department at NMIMS, Mumbai.

Chapter 10

IMPROVING THE QUALITY OF MARGINALIZED SCHOOLS THROUGH ORGANIZATION DEVELOPMENT: A CASE OF EMRP'S SCHOOL-BASED EDUCATION MANAGEMENT INTERVENTION

Ms. Nafisa Kattarwala

Assistant Professor, School of Business Management
SVKM's Narsee Monjee Institute of Management Studies
(NMIMS) Deemed-to-be-University, Mumbai, Maharashtra, India.

Abstract

This chapter explores an organizational development strategy to improve the leadership processes in a group of marginalized schools and presents a case of Education Management Resource Program (hereafter referred as EMRP), a partnership of a business school with marginalized schools to drive their academic and administrative performance. EMRP is an education management experiment to enable interventions to enhance leadership efficiency and to boost academic performance of students of marginalized schools. The reform strategy addresses the concerns and challenges of these schools and delineates the EMRP strategy of school improvement to help identify the enablers for school development and to recommend constructive approaches to facilitate holistic teaching-learning processes which can ensure quality education within the given constraints. This is a reflection on how a school improvement strategy oriented in the administrative management of a school can transform the academic potential of a marginalized school and posit the school's growth manifold in

terms of its academic and institutional development to enable it to compete with mainstream schools.

Introduction

It is not very often that a business school collaborates with marginalized schools to help them manage their affairs. EMRP is a unique partnership that takes shape when seven schools in Mumbai (India) and eight schools in Ahmedabad (India) are adopted by a business school to impart training in leadership, management and administration to facilitate administrative and academic efficiency. These marginalized schools serve the disadvantaged minority students who are underprivileged and these schools promulgate scorecards which lack scholastic brilliance as compared to their mainstream students. Therefore a partnership was forged between these schools and EMRP which is an education management program of a business school to help implement a program of school improvement which was aimed at helping the school leadership in enhancing the quality of administration and teaching resources while managing student performance in a highly competitive academic milieu. The raison d'etre of EMRP's school management program was to build management and leadership competencies amongst senior teachers to help school administrators in designing school development plans, which will reinforce the curricular offerings. This is a unique organization development approach which supports systemic change in select schools. While conceptualizing the EMRP program, a vision of an ideal school was embedded in its school improvement design, which responded to the challenges faced by the marginalized schools and sought to create a model school which not just improved scholastic performance of its students but which also reinforced a holistic model of academic and extra-curricular development.

It is imperative that school education focuses on managing socio-economic aspirations of its stakeholders. While marginalized schools struggle to provide good quality education to their students, they often lack the resources and the infrastructure to do the job. EMRP was driven to mobilize the resources and provide the necessary support to galvanize the performance of these schools and

to enable the stakeholders in achieving their desired thresholds of efficiency. It is thus interesting to explore the strategy of EMRP to boost education management and to provide impetus to the academic development of its constituents. This paper explores the journey of EMRP in shaping the destinies of these marginalized schools through a cross-fertilizing partnership, which leads to the emergence of a model school which can compete with well-established mainstream schools. This partnership is a saga of an institution of higher education which collaborates with an institution of basic education to be an enabler of its growth. This maps the synergy of a business school's partnership with schools to foster school-based interventions to create structures, so as to facilitate management administration and to enable the achievement of higher competencies through institutionalization of academic and leadership enablers. Chua & Mosha (2015, p.1), based on their study of schools in Tanzania, similarly concur that performance of schools can be ascribed to the type of management found in a certain school which allows for functional mechanisms to accelerate teaching-learning.

The design of school reform

The EMRP strategy approaches school reform through a management practitioner's lens. It picks up school reform as an agenda of improving school effectiveness through improving structures, policies, systems and in-class teaching-learning processes. It emphasizes organizational development as a system-wide change process to initiate deep-rooted changes and to institutionalize such changes for potential development. Organization Development is a theoretical assumption, a method and a value system (which may be covert) for creating improvement in the human side of organization's life and thus improvising the achievement of task-goal of complex organizations (Derr & Demb, 1974, p.11). It helps conceptualize a school as a corporate organization and uses HRD tools and techniques to achieve synergies amongst both external and internal stakeholders. This allows a practitioner an opportunity to use both a structural and an agency perspective for conceptualizing school improvement. A major benefit of such work is that this helps the school stakeholders to grasp the structural and common aspects which facilitate change but a major challenge could be that sense making of school-specific stakeholders such as teachers, along with their individual professional work, may get lost (Blossing, et al. 2015, p. 9). This approach emphasizes school

as an organization and attempts a systems design approach of organizational development. It implies that a small or an inconspicuous change may manifest itself in repercussions which are organization-wide and which lead to unpredictable and dramatic consequences. While leveraging upon systems thinking, it is critical to focus upon critical areas which provide a forceful rationale for making such improvisations and mitigates chaos and scattering of limited resources such an approach focuses on few key areas and reduces the number of changes one must direct at any one time and provides a compelling rationale for making these changes. It also reduces confusion amongst stakeholders by carefully restructuring the inter-stakeholder relationships and thus limits the dispersal of inadequate resources. This paradigm allows successful schools to perennially restructure its system to integrate itself into a systems framework (Haines, 2000, p.10). This provides a perspective on how teachers will be held responsible for the student's performance and a principal will compensate the teacher for one's contribution.

EMRP, in its initial diagnostic phase, generated information about the schools and identified system-specific issues and challenges. Each school had its unique ecosystem which needed to redirect its symbiotic interdependences to create synergies which would augment their performance. A need-based school reform program was conceived and every school mapped its current position in terms of key result areas such as academic performance of students in school-based as well as public exams, enrolment levels of students, student-teacher ratios, and extra-curricular development of students, infrastructure, academic resources, principal-trustee relationship and parent-teacher relationships. It is significant to note that each aspect of school functionality was carefully picked to be redesigned and to engage stakeholders in holistic school development. Using the open systems approach, EMRP schools were cajoled to proceed with an organizational diagnosis as recommended below:

A strategic perspective was introduced to help schools think about macro-level changes through proactive action planning rather than indulging in day-to-day fire fighting. Contingencies of academic and non-academic nature were anticipated and structures were conceived to enable systemic changes through gap analysis and by encouraging participants to think of the existing school system in its current state and to plan the transition to a desired state. Moore

(2011) observes that understanding where an organization rests currently and what processes it will need to bring about change or transform itself is the leading step to introduce the change in business processes (p.4). EMRP conducted a gap analysis to help schools understand their current positions and used baseline data to help these schools understand the challenges of such a position. Based upon the current levels of performance, stakeholders were encouraged to design plans for desired expected outcomes. This compelled the school administration to develop multi-year plans to help them to anticipate changes they wish in their school environment and to work in a systemic manner to achieve such change. This helped them develop long-term plans (for as long as five years) to manage process improvements and to influence their outcomes through facilitating both system effectiveness and stakeholder efficiency. Here an important assumption is that change, both planned and unplanned depends upon the assumptions that people who are invested in such change processes make about organization development. Using Schien's analogy of the peeling of an onion, where one can see the external skin of the onion, which represents the stakeholder behaviours, but without peeling away the layers between the external skin, and the core of the onion, which epitomizes assumptions, one cannot understand the organizational belief system, which is representative of its people (McLean, 2006, p. 8). The Organization development strategy of EMRP is focused on people behaviours and assumptions of stakeholder beliefs, values and attitudes to refashion the organizational capacity, which included redefining vision and mission and core values of the system. If organization's current culture does not support its strategy then one needs to introduce interventions to transform its culture. Culture may thus be one of the most forceful determinant of a school's culture (Owens, 2004, p. 191). This implies that a school's culture and climate may intermingle with the school improvement process in myriad ways and at all levels of that improvement process (Lindahl, 2006, p.6), and hence culture in terms of people elements and system- specific structural and technological elements will have to be integrated with the strategy for implementing the foreseeable change.

Identifying the Challenges faced by partner schools
While setting the stage for change management, EMRP identified the problems and issues inhibiting organizational efficiency of partner schools. Most schools lack infrastructure and resources to provide quality education to students and

hence EMRP had to investigate the challenges which inhibit the development of these schools. It is interesting to note that all schools had several major inhibitors of school improvement which needed immediate attention. High absenteeism rates amongst schools students was a key area of concern as parental indifference and difficult curriculum without adequate resources to aid student learning led most schools to report absenteeism rates that were phenomenally higher than mainstream schools. Many students also dropped out due to lack of interest in pursuing their studies as well as for economic reasons. Often the academic performance of these schools, especially in public exams was abysmal. The board of management did not repose trust in the principal and hence often school principals were not satisfied with their roles and authority structure. At times due to lack of availability of management resources, many schools faced the issue of inadequate planning. In EMRP schools, inefficient classroom management was rampant due to an extremely poor teacher-student ratio. Research indicates that effective teachers take time to implement rules & procedures and do not force these rules and procedures upon students but create these with the students (Marzano et al., 2009, pp.5-6) to improve classroom processes, but EMRP schools could not demonstrate any such participative mechanisms. Each of these schools had one teacher and nearly 50-70 students in each class with an unfavourable ratio of 1:60 leading to poor discipline and even poorer academic outcomes. Even school administration lacked discipline and this was a common feature in most of these schools. Since very often senior-most teachers assumed the mantle of school leadership, they often lacked administrative and leadership experience, resulting in inefficient school administration. Conventional teaching methodology, coupled with solely academic emphasis without any extra-curricular development opportunities for students led to school dropouts as well as absenteeism and even lope sided development of students.

Teachers of   EMRP schools felt disengaged and were not adequately empowered. There was limited networking with other professional colleagues, and thus most EMRP school teachers were not acquainted with pedagogical innovations, and often worked with conventional classroom resources. The school staff suffered from low morale and were often demotivated with no opportunities for self-development. EMRP strategy had to be oriented in the belief that for effective professional development, schools will have to

institutionalize a culture for learning amongst the members of the teaching community (Blandford, 2000, p.8). Infrastructure Management and over-all resource management of these schools left much to be desired with unclean premises and inadequate facilities and maintenance support. EMRP's strategy of school reform would posit its contribution to combat all of these issues and challenges besides introducing structures, processes, systemic interventions and people-centric practices to enable these schools to enhance their competitive advantage by improving quality of education and school management.

Organization Development strategy of EMRP

As an external change agent, EMRP was a catalyst to initiate long-term developmental planning and change and helped partner schools adopt numerous systems, processes and behavioural interventions over several years to implement its school improvement plans. EMRP consultants, along with the principal and senior teachers conducted an organizational diagnosis and identified key problems, which a school encountered. This was an important first step in understanding the nature of problems and ascertaining current level of organizational effectiveness. Discussions with important functionaries of the school helped the consultants in diagnosing the current level of organizational readiness for change as well as interventions needed for change (Mcfillen et. al, 2013, p.223). A Gap analysis, conducted by EMRP consultants, revealed major strengths and weaknesses (Brown & Harvey, 2014, p.156) of these schools and helped in ascertaining the role of each stakeholder in school development plan.

EMRP institutionalized several interventions at organizational, group and individual levels to help practitioners achieve pre-identified outcomes. A series of structural interventions were planned such as redefining tasks, structures, work interdependencies (such as forming time-table committees, and Parent-teacher associations) and finally redefining roles and responsibilities of important personnel. Each school was helped in reconceptualising its vision and in developing plans for the future. An effective school management plan was developed to help institutionalize behavioural, process and task-based interventions to help schools perform at par with mainstream schools. In the throes of transformation, organic systems continue to engage in self-organizing and sense-making (Rothwell, 2016, p.56)

Training was used extensively to enable key school personnel in achieving the desired competencies in areas of classroom management, leadership, team-building and communication. Continuous training helped in building necessary skills and in weeding obsolescence. Training outcomes could be cognitive, behavioural, affective, and motivational (Gally & Chen, pp.5-6). Self-development of principals and teachers facilitated organizational renewal. Change needs a new way of working and hence needs an organizing architecture, or else it would be difficult to sustain this change. In times of change, organizations will have to transform their structures for strategy renewal. Hence most effective organizations will reorient themselves to boost their employees' capabilities so that talent of their employees is most pertinently used (Gaertz et al., 2002, pp. 3-4).

EMRP conducted organizational mirroring activities with different groups of functionaries of EMRP schools. Interactions amongst various important inter-dependent groups such as examination union, trustees, examination paper-setters, and even EMRP helped sensitize these stakeholders to each other's roles and also allowed a process of sorting out assumptions and expectations of one another. This intervention helped in conflict-resolution through functional mirroring by reinforcing boundary differentiation amongst these groups and individuals and this helped these different role-holders in augmenting their capacity to adapt to their assigned organizational tasks and to acquire greater role sensitivity about role-making and role-taking (Nitsun, 1998, p.245).

The partner schools were encouraged to engage in survey-feedback activities as EMRP recommended that research should aid in generating a dependable diagnosis which will lead to effective problem-solving through accuracy in need analysis. A community of school-based researchers was facilitated to identify and solve school-specific problems through investigation of problems locally by conducting small independent research studies. These teacher-researchers were responsible for bringing innovative approaches in teaching-learning processes and in recommending solutions to challenging problems. Bernstein (1999) opines that pedagogy is a continued process, wherein an individual creates innovative forms of knowledge or develops current forms of behaviour, knowledge or praxis, and criteria from someone which is considered to be a qualified provider and assessor (p.259). While such pedagogic cross-fertilization allows for

curricular knowledge to be applied to everyday life contexts (Koosimile, 2004). School teachers worked collectively to generate resources which could be developmental pedagogic tools and which could be used to enhance the quality of teaching-learning processes in the classroom. They were also the catalyst for implementing change and in facilitating organization development processes.

Institutionalizing Interventions for systemic change

EMRP was the external consultant to partner schools in order to initiate Organization Development and to create sustainable change in these organizations. Human resource development was initiated and which focused on reinforcing relationships amongst the different constituents of school while developing people resources. A systems approach to organization development was attempted to engage all the departments of a school in a holistic model of professional development, which made each school think of itself as an integrated whole which will need to act in a synchronized manner to achieve its objectives. Beer & Huse (1972) recommend that structural and interpersonal transformation must complement and strengthen one another. Moreover learning in adults commences with behavioural changes rather than cognitive transformation (p.79). EMRP's organization development strategy includes an array of interventions to promote adult learning and to help the school emerge as a professionally mature organisation. These interventions include an intervention of a core group of teachers, which is a teacher-centric think tank of the organization to empower the teachers in curriculum planning, time-table setting, innovating pedagogic tools, classroom management, and forging better teacher-student and parent-teacher relationships. Focused training was imparted by EMRP as an education management consultant to help schools achieve higher benchmark competencies in each of the pre-identified areas of performance. Each outcome of these activities was linked to the student's academic performance. A baseline competency indicators were mapped against benchmark competency indicators to demonstrate achievement of necessary levels of proficiency.

Another important in-class structure, which was used to facilitate peer learning was "student cluster". Student clusters allowed a teacher to create clusters of hand-picked students wherein brightest students of the class collaborated with academically slow-performing students. A student with poor academic

performance was allowed access to buddy resources to help him cope up with the rigors of school exams. Since peers are accessible and they have insights into the learning challenges faced by fellow-classmates which even teachers' lack as subject-matter experts and thus peers have the ability to understand a laggard student's perspective (Maheady, 1998, p.6). Peer learning was especially useful while teaching subjects in Math & Science disciplines to students who were first generation learners and who had no access to any supplementary learning resources at home. Both core groups and student clusters were interventions which dealt with process and content issues and allowed teachers and students to build structures within the school system to drive long-term change. These quality improvement approaches were essentially linked to a database of baseline data about the participants' past performance and recorded their current performance in an ongoing cycle of data management. This was useful as a school principal could monitor one's school's scholastic performance in terms of strategically available roadmap to address contingencies as needed and to deliver results. This also made available a snapshot of comparative analysis of the school's performance in terms of examination results, attendance, school drop-outs, and teacher-student ratios.

The Parent-teacher association of EMRP was a tool driven to foster better relationship amongst parents and teachers of the partner schools. Parents attended meetings with teachers to address common issues of concern in terms of academic performance, in-class challenges faced by students, teaching-learning resources, and even issues related to personal adversity of underprivileged groups of students. It tackled issues of students' health and well-being and even dealt with problems such as mental health, malnutrition, and in some cases part-time employment of students after school. This was an opportunity for the school to intervene in the student's home environment to support a holistic development and to specifically deal with parental issues such as illiteracy, alcoholism, unemployment and domestic violence.

EMRP for promoting school-based research advanced reflection and research and helped bring innovative approaches in teaching-learning to schools. A networking opportunity unfolded for teachers and enabled cross-pollination of ideas and dissemination of resources. Often teachers discussed their research and participated in events where invited guest experts exchanged contemporary

trends in education. EMRP's library was an extension of this intervention which was a repository of important academic resources and which loaned teaching aids, books and other media such as films and audio-visual aids.

Exploring the identity of an EMRP Stakeholder

An important stakeholder of the EMRP strategy was EMRP's school student, who most often hailed from a poor disadvantaged background without any financial means to provide for education and hence sought education in a school with nominal tuition charges. A representative student profile would be that of one who lives with a large family in a metropolis such as Mumbai or Ahmedabad, with many siblings and uneducated parents who cannot participate in the child's academic development. Often this student has to work as a domestic help, as a garage helper or even as a waiter to supplement one's family income. Some of these students may be indispensable to their family's income as they might have lost a parent early in life. Such children, at times, also suffered from mental ill-health due to unreasonable pressures they faced at a very young age as a consequence of adversity and family circumstances. Quite a few of these students were addicted to chewing *pan* (betel leaves) and *Gutkha* (i.e. *Gutkha* is a powdered mixture of arecanut, tobacco and lime), often exposing themselves to additional health hazards such as mouth cancer. Developmental Psychology framework acknowledges that various contexts and settings in which students are nurtured, for instance, families, communities and schools, all mould their behaviours, attitudes and experiences (Rumberger, 2011, p.8.), and impact their academic performance. Since they could not afford two meals a day, they often attended school on a hungry stomach. They were not motivated to complete their education and often struggled in their academic performance. Their attendance was often frustratingly low and their parents showed no interest in sharing any responsibility in counselling their children. The teachers often doubled up as a teacher and as a parent as well, thus helping the student to complete one's academic journey responsibly. Despite academic brilliance, some students had to face growing family pressures to give up their studies, as their parent were not interested in contributing even nominal tuition fees. Parents of girl children were eager to get the child married at a young age. There were 30% student dropouts in these schools. Research indicates that the professional capacity of the teacher is critical in defining the learning experience of the students, and is of a greater impact than other factors such as socio-economic

background or the curriculum (Darling-Hammond, 2001; Hattie, 2003; Rowe, 2003), and EMRP's research established this fact.

EMRP's Model of School Reform

Using a holistic approach to school improvement, an EMRP school improvement plan involved including all the stakeholders so that every facet of school development is impacted positively. This included both external and internal stakeholder such as teachers, parents, principals, trustees, students and even administrative and support staff. EMRP's thrust was to enable a common understanding amongst these different stakeholders about organizational vision, mission, plans, and strategy and future objectives. A holistic school improvement allowed synergies amongst key stakeholders and also aided in system integration. Principal, as a key administrator, was essentially the pivot of EMRP's strategy and he or she was the change champion for creating the necessary environment for implementing change. School leaders face responsibility pressures in a "results-driven" setting. While external pressures mount, school leaders need comprehension, skill and resilience to reinforce their institutions (Bush, 2013, p.18).

While school leadership was significantly the prime mover of all strategic initiatives, the change champion also had the responsibility to galvanize a team of catalysts who would implement the desired change. EMRP prepared Action Learning Programmes for principals and facilitated training in institution building to reinforce higher leadership competence amongst school leaders. Moreover, developing leadership capability is the critical factor in nurturing capacity for school improvement (Harris & Lambert, p.8). A slew of interventions such as strategic planning workshops, training programs on decision-making, leadership and other team-building as well as role-driven interventions were designed and implemented to foster role clarity and these interventions were significantly important in moving the school principal's perception of one's role as that of a fire-fighting administrator to a proactive participative leader and an informed institution-builder.

Use of school Management Information System (MIS) in monitoring and evaluating the progress of schools was crucial first step in building systems within the schools to capture information about critical areas of school

operations. Schools were guided to capture information about the examination processes and drop -out rates. For instance, all schools were encouraged to capture the academic performance of students in grade VIII & grade IX, so that performance of students in important subjects, such as Math and Science, can be carefully monitored to prevent failures and school drop-outs. In fact, monitoring the drop-out rate through internal MIS helped EMRP schools in reducing their drop-out rates substantially. School staff was trained in capturing the MIS and in accessing relevant information for crucial decision-making. In fact baseline data was used to compare the current academic performance of the schools in pre-identified areas with previous year's academic performance to understand the impact of school-based academic improvement strategies. School MIS provided a framework for review of their existing work and for initiating future changes, as and when needed.

Research was an important facilitator influencing the quality of education in EMRP schools. EMRP encouraged partner schools to undertake research in significant areas of school improvement, which were pre-identified during the organizational diagnosis. An exhaustive analysis of examination results was attempted on a periodic basis. This tracked the variability in academic performance in case of each student, the extent of co-relation in performance of the group amongst different components, while closely monitoring the performance of the lower 20% of the class. An efficiency index was developed for system performance as well as student performance.

Triage was a classroom-based teaching intervention, which identified the groups of academically weak and very weak students and provided coaching for improvement in academic performance. As a consequence of special coaching weak students improved in their academic performance and very weak students did not show any improvement. With the help of this research, schools redefined their classroom strategies and created class-room structures to modify academic inputs and to enhance academic performance of weak students. Schools were encouraged to study dropout rates of students. It was a common assumption that students drop out due to socio-economic factors since a majority of EMRP school students hailed from underprivileged backgrounds. But research revealed to the contrary. It was established that a high rate of drop-outs was simply due to uninteresting manner in which academic instruction was

delivered or the students found it difficult to cope up with the rigors of the academic routine.

EMRP conducted an organizational climate and health study with schools in Mumbai and Ahmedabad. Since of the 89 participating schools, 15 schools were EMRP schools, it was possible to compare these schools with other schools in terms of their organizational culture and climate. Organizational climate as observed by Tagiuri (1968, p. 23) is "a particular configuration of enduring characteristics of the ecology, milieu, social system and culture would constitute a climate, as much as a particular configuration of personal characteristics constitute a personality." While the conceptualization of organizational culture however complex would embody itself in norms, shared values, or basic assumptions, each appearing at a different level of abstraction (Kilman, et al., 1985; Schein, 1985, Hoy & Miskel, 1987). Hence, to understand the organizational culture and climate of Mumbai schools, a benchmark for North-West Mumbai schools was set up for organizational climate and health and each EMRP school was compared with the benchmark school. It was an approval of EMRP's school reform strategy as the research confirmed that EMRP schools performed better on each key organizational culture and organizational climate indicators as compared to a typical North-West Mumbai school.

Conclusion:
Findings from EMRP's school-based reform reveal that schools in Ahmedabad achieved excellent academic performance due to EMRP interventions and also demonstrated a strong potential for organization development through sustained systemic change and by implementing a select interventions in various areas of school improvement. While schools in Mumbai remained focused on the academic performance, schools in Ahmedabad emerged successful in reinforcing school network through a platform for peer networking and exchange of ideas and innovations. These schools showed a dramatic improvement in academic performance with examination results in Ahmedabad moving from a measly 2.5 % to results as high as 60-85%. In Mumbai, schools showed academic results as high as 99-100%. Extra-curricular aspects of school performance have also been amazingly robust subsequent to EMRP's partnership with these schools. Significant structures to facilitate on-going networking and to create holistic transformations in order to enable schools emerge as an organization have been

set up at partner schools. Some of these such as Core groups, Student clusters, EMRP Teacher Resource Centre, and Examination Union have fructified as hubs of inter-school partnership in collaborative pursuit for excellence in education. School principals have emerged as successful institution-builders and teachers of these schools have morphed into innovative pedagogues. School administration and management has seen qualitative improvement in terms of leadership potential and the school's ability to manage its affairs better. Organization development has reinforced the partner schools' capabilities in terms of structures, policies, processes, systems and even personnel, to help these schools optimize their objectives. This partnership of a business school with a marginalized school has been a journey of complete transformation of schools as organizations and has successfully achieved what Kegan (2008) proffers:

> …genuinely transformational learning is always to some extent an epistemological change rather than merely a change in behavioural repertoire or an increase in the quantity or fund of knowledge (p.48).

References

1. Al-Haddad, S., & Kotnour, T. (2015). Integrating the organizational change literature: a model for successful change. *Journal of Organizational Change Management,28*(2), 234-262. doi:10.1108/jocm-11-2013-0215

2. Beer, M., & Huse, E. F. (1972). A Systems Approach to Organization Development. *The Journal of Applied Behavioral Science,8*(1), 79-101. doi:10.1177/002188637200800107

3. Bernstein, B. (1999). Vertical and horizontal discourse: An essay. British Journal of Sociology of Education, 20(2), 157-173.

4. Blandford, S. (2000). *Managing professional development in schools*. New York , N.Y. : Routledge.

5. Blossing, U., Nyen, T., Söderström, Å, & Tønder, A. H. (2014). Six School Types. *Local Drivers for Improvement Capacity SpringerBriefs in Education,*35-64. doi:10.1007/978-3-319-12724-8_4

6. Brown, D. R., & Harvey, D. (2014). *Experiential approach to organization development*. Harlow, England: Pearson Education.

7. Bush, T. (2013). *Theories of educational leadership and management*. London: SAGE.

8. Chua, C. L., & Mosha, H. J. (2015). Managing School Internal Mechanisms for Performance Improvement in Secondary Education. *SAGE Open,5*(4), 215824401561017. doi:10.1177/2158244015610172

9. Darling-Hammond, L. (2003). Keeping Good Teachers: Why It Matters, What Leaders Can Do. *Educational Leadership,60*(08).

10. Davies, B., & Davies, B. (2009). Strategic Leadership. In *The essentials of school leadership*. Thousand Oaks, CA: Sage Publications.

11. Derr, C. B., & Demb, A. Entry and urban school systems: The context and culture of new markets. In C. B. Derr (Ed.), Organizational Developmeryn Urban School Systems. Beverly Calif.: Sage, 1974:

12. Fullan, M., Miles, M. B., & Taylor, G. (1980). Organization Development in Schools: The State of the Art. *Review of Educational Research,50*(1), 121. doi:10.2307/1170033

13. Gally, S., & Chen, G. (2010). Individual differences, attribute- treatment interactions and training outcomes. In *Learning, training, and development in organizations*. New York: Routledge.

14. Harris, A., & Lambert, L. (2007). Building leadership capacity for school improvement. Milton Keynes: Open University Press.

15. Graetz, F., Rimmer, M., Smith, A., & Lawrence, A. (2002). *Managing organisational change*. Milton, Qld.: John Wiley & Sons Australia.

16. Haines, S. G. (2000). *The systems thinking approach to strategic planning and management*. Boca Raton, FL: St. Lucie Press.

17. Halpin, A. W., & Croft, D. B. (1963). The Organizational Climate of Schools. Chicago, IL: Midwest Administration Centre of the University of Chicago.

18. Harris, A., & Lambert, L. (2007). *Building leadership capacity for school improvement*. Milton Keynes: Open University Press.

19. Hattie, J.A.C. (2003, October). Teachers make a difference: What is the research evidence? Paper presented at the Building Teacher Quality: What does the research tell us ACER Research Conference, Melbourne, Australia. Retrieved from http://research.acer.edu.au/research_conference_2003/4/

20. Hoy, W. K., & Miskel, C. G. (1987). Educational administration: Theory, research, and practice. New York: Random House.

21. Kegan, R. (2000). What ―form‖ transforms?: A constructive-developmental approach to transformative learning. In J. Meizrow (Ed.).Transformational Learning.Jossey-Bass: San Francisco, CA.

22. Kilmann, R. H., & Saxton, M. J., Serpa, R., & Associates (1985). Gaining control of the corporate culture. San Francisco: Jossey-Bass.

23. Koosimile, A.T. 2004. Out-of-school experiences in science classes: Problems, issues and challenges in Botswana. International Journal of Science Education 26, no. 4: 483

24. Lindahl, R. (n.d.). The Role of Organizational Climate and Culture in the School Improvement Process: A Review of the Knowledge Base. *OpenStax-CNX*. Retrieved March, 2006, from http://www.creativecommons.org/licenses/by/2/0

25. Maheady, L. (2009). Advantages & Disadvantages of Peer-assisted learning strategies . In *Peer-Assisted Learning*. New York , N.Y.: Routledge.

26. Marzano, R. J., Gaddy, B. B., Fosied, M.C., Fosied, M. P., & Marzano, J. S. (2009). *A handbook for classroom management that works*. Upper Saddle River, NJ: Merrill.

27. Mcfillen, J. M., Oneil, D. A., Balzer, W. K., & Varney, G. H. (2013). Organizational Diagnosis: An Evidence-based Approach. *Journal of Change Management,13*(2), 223-246. doi:10.1080/14697017.2012.679290

28. McLean, G. N. (2006). *Organization development: principles, processes, performance*. San Francisco, CA: Berrett-Koehler.

29. Moore, C. (2011), "The path to business process transformation", KM World, Vol. 20 No. 5, pp. 6-7.

30. Nitsun, M. (1998). The Organizational Mirror: A Group-Analytic Approach to Organizational Consultancy, Part I - Theory. *Group Analysis,31*(3), 245-267. doi:10.1177/0533316498313002

31. Owens, R. G. (2004). Organizational behavior in education: Adaptive leadership and school reform (8th ed.). Boston: Allyn & Bacon.

32. Rothwell, W. J., Sullivan, R. L., Park, J. G., & Donahue, W. E. (2016). Change process and models. In *Practicing Organization Development: Leading Transformation and Change*. Hoboken, N.J: John Wiley & Sons, pp. 42-59.

33. Rowe, Ken, "Effective teaching practices for students with and without learning difficulties: Constructivism as a legitimate theory of learning AND of teaching?" (2006). http://research.acer.edu.au/learning_processes/10

34. Rumberger, R. (2011). *Dropping Out*. Boston, MA: Harvard University Press.

35. Schien, E. (1985), *Organizational Culture & Leadership,* San Francisco*:* **Jossey Bass.**

36. Tagiuri, R. (1968). The concept of organizational climate. In R. Tagiuri & G. W. Litwin (Eds.), Organizational climate: Explorations of a concept (pp. 1-32).- Boston: Division of 168 HOY Research, Graduate School of Business Administration, Harvard University.

37. Wilson, D., & Beaton, L. (2003). *Promoting Institutional & Organizational Development: A Source book of tools & techniques*. London: DFID.

Author's Profile

Prof.Nafisa Kattarwala is an Assistant Professor at the School of Business Management, SVKM's NMIMS University. She is also pursuing her PhD at Nipissing University. She holds a Masters in Human Resources Development Management (MHRDM) and Masters in English Literature (MA) from Mumbai University. She has worked in the academia for 3 decades. Nafisa's research excellence is evident through three consecutive Ontario Graduate Scholarships and recognition with the NUFA Learning Opportunity Award. Her research focuses on the impact of executive education, reflecting her deep interest in case-based pedagogy and executive education. Nafisa's achievements include the Andrew Towl Scholarship awarded by Harvard Business School and nominations for best paper awards, displaying her significant contributions in management education.