

MANAGEMENT OF ORGANIZATIONAL DEVELOPMENT

© Doroshuk H.A., 2014

The possibility of using the organizational development management as the basis for implementing innovations within the framework of proactive management at the enterprise is justified. The subject and the object of the organizational development management are determined. Approaches to the organizational development management are analysed; the complex approach is selected. The subsystems of the organizational development management system are described. The basic principles of the organizational development management concept are determined.

Key words: organizational development, proactive management, management of organizational development, innovative management, complex approach, organizational development management system.

Г.А. Дорошук

Одеський національний політехнічний університет

УПРАВЛІННЯ ОРГАНІЗАЦІЙНИМ РОЗВИТКОМ

© Дорошук Г.А., 2014

Обґрунтовано можливість управління організаційним розвитком як базису для втілення інновацій у межах проактивного управління на підприємстві. Визначено суб'єкт та об'єкт управління організаційним розвитком. Проаналізовано підходи до управління організаційним розвитком та вибрано комплексний підхід. Описано підсистеми системи управління організаційним розвитком. Визначено основні положення концепції управління організаційним розвитком.

Ключові слова: організаційний розвиток, проактивне управління, управління організаційним розвитком, інноваційний розвиток, комплексний підхід, система управління організаційним розвитком.

Problem statement

One of the characteristics of successful functioning and development of organizations in Ukraine is a state of permanent structural and functional changes, innovations that can successfully help enterprises to adapt to constantly changing environmental conditions. Most local businesses and organizations over the past 10-15 years in their development had organizational change: change in ownership (privatization), structural changes (restructuring), mergers and acquisitions (reorganization, raider attacks) or simply downsizing. But not all the changes and innovations lead to success. It raises legitimate questions about approaches to innovation management which leading to successful problem-solving organization. One of the modern methods of change management is an organizational development (OD), which is increasingly becoming popular. Traditionally, organizational development is a process, but the ability to control and manage it provides an additional opportunity to upgrade organizations.

Analysis of recent research and publications

V.V. Pivovarov offers parallel changes in all major components of the organization, hard and soft, as adaptive theory. In comparing with existing theories this theory provides one-time conversion, adaptive

theory focuses on a regular basis the implementation of innovations, based both on the staff of the organization and the aid of external consultants [1].

In paper of S.I. Bay [2] the conceptual and methodological basis for controlled sustainable development is based on the idea of concordance rate of efficiency increasing with the opportunities to provide them: the material and spiritual requirements of employees; efficient and ecologically safe and highly effective management of resources; support of favorable living conditions for human health; development potential. As part of his concept S.I. Bay suggests use two paradigms:

- “market-development-result” when the external market structure will determine the contours and trajectory continuum of companies behavior that will allow it to achieve competitive advantage and effectiveness organizational development programs;

- “resources-development-result” when a particular scenario, his radicalism must be the result of conscious initiative behavior that is focused on the formation of an appropriate mix of resources.

K.N. Holoktyeyev, I.A. Matveev [3] propose the following logics of organizational development: institutional stabilization, management of organizational and technical level of production; knowledge management. Each step is accompanied by specific software and the ability to use a variety of tools:

- at the stage of institutional stabilization it is harmonization of operating within company rules and constraints for sustainable development: ISO, KRS, Balanced Scorecard, MRP II, ERP, PDM, CAD / CAM, S &OP;

- at the stage of organizational and technical development it is the need to ensure accelerating the introduction of innovative elements in the company activities within the strategic and operational plans, to form of the necessary industrial contacts and influence in technics and technology by implementing the concept of Lean production (including “just -in-time”, “kanban”, poka-yoke);

- at the stage of knowledge management organization starts to get profit from the knowledge and intellectual capital, which is in its possession, in this case the organization uses its knowledge to create added value for the consumer. This phase involves the creation of corporate portals, expert systems, 6 Sigma, DMAIC.

S.I. Arhiereev, K.V. Savchenko [4] propose the concept of organizational development that based on the personnel motivation management by the criterion of business situations. This concept includes strategic objectives, the achievement of which provided by competencies, management of systems and knowledge sharing. Corporate/institutional competencies make the company competitive, viable and adaptive only when personal and group competencies and skills of its staff are unique, their distinction is in the command style of work and the impossibility of copying by competitors.

Objectives

The philosophy of the OD can be represented as a complex consisting of three components:

- principles and values (reflected in the Code of Ethics OD);
- concepts and models for the theoretical basis of the OD;
- practical methods and tools of OD.

Materials

We focus on the second of its components and discuss the possibility of organizational development management. Response to changing internal and external environment of the organization implements various types of behavior according to innovation:

- reactive management avoids the implementation of strategic initiatives;
- active management: the company is not ready to unusual environmental threats, but instead of coming to the serial number of appropriate measures, the company analyzes the available data, selects and implements a combination of countermeasures, which seems as optimum;
- planned management: in this case it is complemented prediction of the environment in order to detect possible changes;
- pro-aktive management is a prediction of events, initiating change, the desire “to keep in the hands” the fate of organization [5].

The possibility and the need to manage the OD may be due under the proactive management.

In our opinion, management of OD is strategically focused actions and decisions to ensure the transition of a new qualitative state, its adaptation and survival.

Ability to manage the OD is determined primarily by the human factor, because people deliberately look for ways to improve the situation, in the second place, by knowledge of the nature of socio-economic systems and their cycle, which allows to predict the point and reserves growth.

Necessity of OD is defined by objectives of the organization and its employees.

The subjects of OD management are the owners and shareholders of the company, business owners and partners, CEO and executives, Director of Strategic Development, Officer in Organizational Development, Director for strategic controlling, Director in management quality, HR-Director, HR-staff unit manager for training and staff development, business analyst and expert in business modeling, an expert in information technology, business coaches, organizational consultants, coaches, trainers on management and leadership.

Objects of OD is an adaptation, survival, moving the company to a new qualitative state.

Let us consider the basic approaches to managing OD: system, process, situational, behavioral, interdisciplinary, normative, innovation, marketing, hierarchical, integration, functional and others. Their brief description is given in table 1.

Table 1

Integrating the basic approaches to managing of OD

Approaches to managing of OD	Basis statements of approaches
System	Integrity complex hierarchically organized and interrelated components (holistic approach)
Process	A set of interrelated actions on successive OD, OD is the process of changes
Situational	Selection and using the tools of OD that match a particular state of situational factors
Behavioral	Changing the means of employees interactions inside and outside in order to realize their creative abilities
Interdisciplinary	Forming OD concept that integrates management, sociology, psychology
Macroscopic	Investigation the external organizational context
Microscopic	Investigation the internal organizational context
Adaptive	Using of OD as a means of adapting to changes
Competence	Implementation assessment, selection, training and development of staff competencies and the organization as a whole
Regulatory	Supporting optimal conditions for achieving the goals and social development of the staff
Innovative	Rapid response to changes in the environment and implementing innovation
Marketing	Marketing orientation to the needs of customers, market and the environment
Hierarchical	Examining organization as a system that composed of subsystems
Integrative	Consideration organization as a scalar chain and at the stages of the life cycle
Functional	Implementation of functions to achieve the objectives

By analyzing table 1 and taking into account the interdisciplinary approach to OD, its situational and equifinality principle, we conclude that the optimal approach to OD management is an integrated approach.

In our view, there are the following subsystem management of organizational development that will reflect the cycle of organizational development.

1. Information and communication subsystem. It can be divided into two parts: the information (that is responsible for the implementation of such management functions as planning: information gathering and forecasting) and communication (that provides the process between management functions).

This first unit is responsible for receiving and processing (sorting, reporting, forming analytical reports) information about the state of the external and internal environment.

The second unit performs the following functions: to provide all necessary information for making OD strategy and organizational decisions; to circulate information on internal communications networks; to ensure authorized access to information in all workplaces; to inform subjects of the environment about the state of the company.

2. Subsystem formation of goals and OD strategy. This function is to develop objectives, targets of OD to boost competitiveness, stability and long-term success in the market; to select optimal alternative of OD.

3. Organizational subsystem. It implements the function “organization” at the company and is responsible for decision-making. It includes the creation of an optimal structure; timely delivery of administrative instructions from the adoption of solutions to executive agencies; synchronization and coordination of the interaction between control center and executive bodies; providing optimal conditions for making decisions and implementing them in practice; involvement of personnel in the decision-making process (the ability to express opinion, to evaluate the activity); promoting transparency, openness; prevention of conflicts in the enterprise.

4. Motivational subsystem is one of the leaders in the implementation of organizational development strategy, because people are the driving force for the development of the company activities. On the one hand, it is the leader of a team of like-minded people who inspired by new ideas, on the other – a team of employees, each of whom understands their role and importance in conducting change. Motivating subsystem includes the following functions: to achieve synergy in leadership; to form of interest of workers eventually; to development of creativity; to promote self-coordination of personal goals and objectives of the company.

5. Subsystem of control performs the following functions: to evaluate results of the managerial action to the plant; to correct action in case of deviation achieved state from the desired state beyond a specified interval of admissible values of the relevant criteria in order to increase the effectiveness of interaction between performers; to assess of the effectiveness of the chosen direction.

Let's formulate the basic concept OP industrial enterprise.

1. OD basic idea is that the client chooses paths and manages them himself, and methods of OD leads him to do so. Organizational development focuses more on values, humanistic approach that allows to join to the global space and to solve problems of management in alternative ways.

2. Under the modern approach to OD: domestic, when systems, structures, processes are primary, and the west, when the behavioral approach to OD moves to systems, structures and processes, we see possible use as a “soft” (behavioral) as “hard” (administrative, managerial) methods in OD. The rate of implementation of the “hard” methods is higher than “soft”, but without “soft” they do not work.

That it should be given attention and new concepts in the management, and development of management systems, and the introduction of new technology, but in terms of “good” for the organization as a unit of society which composed of citizens of the society, in terms of further multi-vector development of the company. This approach to the development of Behavioral Sciences and emphasis on human relations can achieve real development and the absence of distortions due to the uniqueness of the selection criteria for development effectiveness.

To preserve the integrity and log in global space enterprise should overcome all stages of development, that is consistently implemented the basic concepts of management, namely quality management, TQM, system ISO; reengineering of business-processes; lean production LEAN; and access to knowledge management.

3. A new paradigm “global space-OD-result” defines and outlines a continuum of company behavior trajectories that will allow it to achieve competitive advantage and ensure the results of OD programs. Options for the development of domestic enterprises in the context of globalization can be: local enterprise,

output to the world level, the ability to dictate the production technology and management at the global level, to be absorbed by the transnational company, etc.

4. The OD is a method of organizational change where necessary part of it is the external agent, who task is to assist in “tuning” of the organization with the active participation of the enterprise management.

5. In most cases OD does not “see” the end result, but it is always on demand which sounds like “inability to reach the goals of the traditional ways”. In the OD process itself is more important than result, although OD initially seeks to achieve results. That goal is not only for the goal, and it’s important the process of achieving because the problem exists in the process. The OD uses balance model “process-result”. The requirement for specialist of OD is not offer to Administration dealing with organizational problems but help its ability to form the decision of them. OD has multi-vector nature, so that it gets several objectives.

6. OD-program is long-term (minimum 2 years) and but gets the short-term, medium-term and long-term results. OD is the basis for innovation. OD allows enterprise to create the self-learning organization.

Conclusions

Organizational development is a modern unconventional innovative methods for change and implementing innovation in the enterprise. The company’s management has the ability to independently initiate and manage this process using an integrated approach to management. General points of management concepts of OD help to figure out the nature of the process and the ability to manage it and use it to innovation.

Prospects for further research

Further research on this problem can be carry out about the mechanism of projects and programs of organizational development at the company. Also the interest for research lies in the field of practical tools for organizational development at the company, the formation of principles and values of OD.

1. Пивоваров П.П. Методические и теоретические основы управления организационным развитием предприятия / П.П. Пивоваров. – Российское предпринимательство. – 2010. – № 12 Вып. 2 (174). – С. 48–53

2. Бай С.І. Розвиток організацій: політика, потенціал, ефективність: монографія / С.І. Бай. – К.: Київ. нац. торг.-екон. ун-т, 2009. – 280 с.

3. Голоктейев К.Н. Управление производством: инструменты, которые работают / К.Н. Голоктейев, И.А. Матвеев. – СПб.: Питер, 2008. – 251 с.

4. Концепція організаційного розвитку та управління мотивацією за критерієм бізнес-ситуації / С.І. Архїреєв, К.В. Савченко // Менеджмент, маркетинг та інтелектуальний капітал в глобальному економічному просторі: колективна монографія / під заг. ред П.Г. Перерва. – Харків: ХПІ, 2012. – С. 255–269.

5. Ньюстром Д.В. Организационное поведение / Д.В. Ньюстром, К. Дэвид. – СПб., 2000. – 343 с.