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| **Presentation** |
| **Presentation: Continuous improvement processes, use self-managed work teams, create learning organizations** |
| Organizational development interventions have evolved to help organizations meet the uncertainties of the 21st century. These interventions often include structural changes and transformation as a means of increasing efficiency, improving the work life of employees, and meeting the challenges of an increasingly global market. Some of the more dramatic changes have been in organizations that implement continuous improvement processes, use self-managed work teams, create learning organizations, and transform themselves in meaningful ways.  **Continuous Improvement Processes:**  Today’s managers are being challenged to provide leadership in new and changing conditions. One emergent approach to meeting these changing forces is Total Quality Management or TQM. Organizations that practice TQM usually share several common principles such as: organizationally wide implementation, the visible support of the CEO and other top managers, the embedding of TQM as a value within the corporate culture, the encouragement of partnership with customers, a recognition that everyone within the organization has a customer, a focus on reducing cycle time and doing it right the first time, and an awareness that no single formula can or will work for everyone.  **Self Managed Work Teams:**  Another structural intervention commonly implemented is the introduction of self managed work teams. A self-managed work team is an autonomous group whose members decide how to handle their task. Work teams are assigned a wide range of tasks from setting work schedules, budgeting, job assignments, performance goals, hiring and selecting team members, assessing performance, purchasing equipment to controlling quality. It is important that the team is properly prepared and trained to take on these responsibilities. Most companies that use self-managed work teams do so at specific sites and not throughout the company. Even so, for most organizations self managed work teams represent a substantial change in the way the company is both configured and managed, most often signaling the shift from a centralized organization to a flattened structure.  **The Learning Organization:**  Managers looking for new methods for successfully adapting to a world of change have also examined the ways in which the organization itself can remain open, reflexive, and adaptive. In short, managers are seeking ways to allow the organization itself to evolve and learn. A learning organization may be defined as an organization that has developed a continuing capacity to adapt and change. In other words, learning in organizations means the continuous testing of experience and the transformation of that experience into knowledge. Some of the characteristics that indicate a learning organization are: (1) members of the organization are stretching and growing, (2) teams are used and expected to be creative and, (3) employees are encouraged to take risk.  **Strategy Interventions:**  Finally, organizational excellence in a rapidly changing world requires an innovative and adaptive corporate culture. In fact, strategic change has become increasingly important in recent years, and often influences the very survival of an organization in a volatile environment. The corporate culture can be a force in reinforcing or resisting strategic changes. Therefore, when the culture is resistant to innovations, organizational development techniques and strategies may be used to enhance successful strategic changes. Common intervention tools for the OD practitioner include the strategy-culture matrix and strategic change management methods.  In short, leadership in today’s fast-changing world involves developing an innovative corporate culture: a culture that recognizes employees’ needs, the firm’s history, the marketplace, and the company’s products and services. |

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| **Questions and Answers** |
| Question #1 **How can Total Quality Management (TQM) be used to improve quality and productivity?**  TQM seeks to have organization members who are committed to continuous improvement in meeting or exceeding customer expectations; applies human resources and analytical tools; and seeks to develop a culture with a strong commitment to improving quality in all organizational processes. TQM can improve quality and productivity through several processes and conditions: (1) it must be organization-wide and supported by top managers; (2) it is part of the culture; (3) a partnership with customers and suppliers is formed; (4) everyone in an organization is a customer; (5) cycle times for new products and services is reduced; (6) quality is manufactured into the product or service at every stage; (7) the organization values both customers, suppliers, and employees; and (8) the organization acknowledges that there is no single best way to implement TQM. Question #2 **How does the culture affect an organization’s ability to change and what alternatives do managers have in developing strategies for change using the strategy-culture matrix?**  Organizational culture can facilitate or inhibit change in the organization. The strategy-culture matrix helps managers develop strategies for implementing change. Four basic alternatives in determining changes are: (1) manage the change; (2) reinforce the culture; (3) manage around the culture; and (4) change the strategy to fit the culture. The need for strategic change and the compatibility of the change, viewed together as a strategy-culture matrix, will largely influence the method used to manage the strategic change. Question #3 **Compare and contrast organization development and organization transformation. How are they similar or dissimilar?**  Organization development is planned strategy to bring about change while organization transformation is drastic, abrupt change to total structures that aims for survival in a competitive environment. The changes in transformation may or may not be developmental in nature and in many instances are not accomplished by participative processes. Question #4 **What forces might contribute to making a culture strong?**  In a strong culture, the behavior of members is constrained by mutual accord rather than by command or rule. A strong culture is characterized by an organization’s basic values being both intensely held and widely shared. It is important to recognize, however, that cultural strength while associated with reduced turnover, does not necessarily guarantee corporate effectiveness. The definition of the culture and the degree to which its solutions fit the problems posed by environment seem to be the critical variables in determining effectiveness, not strength alone. Question #5 **What is a learning organization?**  A learning organization may be defined as an organization that has developed a continuing capacity to adapt and change. In its essence, every organization is a product of how its members think and interact, changing the way we interact. The learning organization, introduced by Peter Senge, offered a vision of work places that were more humane and of companies built around the concept of learning. The core of learning organization work according to Senge, is based upon five “learning disciplines” -- lifelong programs of study and practice:   * Personal mastery — learning to expand our personal capacity to create results we most desire and creating an organizational environment which encourages all its members to develop themselves toward goals and purposes they choose. * Mental Models -- reflecting upon, continually clarifying, and improving our internal pictures of the world, and seeing how they shape our actions and decisions. * Shared Vision --building a sense of commitment in a group, be developing shared images of the future we seek to create, and the principles and guiding practices by which we hope to get there. * Team Learning — transforming conversational and collective thinking skills, so that groups of people can reliably develop intelligence and ability greater than the sum of individual members’ talents. * Systems Thinking - a way of thinking about, and a language for describing and understanding forces and interrelationships that shape the behavior of systems. This discipline helps us see how to change systems more effectively, and to act more in tune with the larger processes of the natural and economic world.   Source: Senge, P. Kleiner, A., Roberts, C., Ross. R. & Smith. B (1994) *The Fifth Discipline Fieldbook*, p 6-7. Doubleday. |

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| **Resource Links** |
|  **Building Learning Organizations** (http://home.nycap.rr.com/klarsen/learnorg/senge2.html) The Leader's New Work: Building Learning Organizations, Article by Peter M. Senge |
|  **Business Transformation Through the Creation of a Complex Adaptive System** (http://www.aurosoorya.com/castran.html) This thought-piece combines insights from complexity science and business to suggest what an organization must do to meaningfully exploit changing circumstances. |
|  **How to Optimize Organizational Learning** (http://www.co-i-l.com/coil/knowledge-garden/cop/olearning.shtml) Here are 14 guidelines to help you work with rather than against the inner logic of organizational learning. |
|  **Implementing Radical Change** (http://www.rockfordconsulting.com/stuffart.htm) The following characteristics seem to be consistent in companies who are able to radically transform themselves. |
|  **Increasing Organizational Learning Ability Based on a Knowledge Management Quick Scan** (http://www.tlainc.com/articl40.htm) An organization is more successful if its employees learn quicker, and implement and commercialize knowledge faster than the workers of the competition. An organization that does not learn continuously and is not able to continuously list, develop, share, mobilize, cultivate, put into practice, review, and spread knowledge will not be able to compete effectively. That is why the ability of an organization to improve existing skills and acquire new ones forms its most tenable competitive advantage. This article introduces a knowledge management quick scan to measure this ability. |
|  **Innovation, Learning Organizations, and Industrial Relations** (http://www.druid.dk/wp/pdf\_files/03-07.pdf) Establishing 'a learning organization' where horizontal interaction and communication inside and across the borders of the firm is a major factor promoting knowledge creation in the context of a learning economy. An important issue is to what extent direct and indirect participation of employees in shaping the new form of organization is critical for its realization. |
|  **Introduction to Organizational Learning** (http://www.systemsprimer.com/what\_is\_org\_learning.htm) A description of organizational learning in 1000 words or less. |
|  **Knowledge Management, Learning, and Learning Organizations** (http://www.brint.com/OrgLrng.htm) From Brint.com, this is a portal to knowledge management and learning organizations materials. |
|  **Learning Organization in Practice** (http://gbr.pepperdine.edu/001/learning.html) Training should address real organizational problems and emphasize personal development. |
|  **Learning Organizations** (http://home.nycap.rr.com/klarsen/learnorg/) Article, good introduction to the topic, covers teams and systems thinking. |
|  **Learning, Remembering, Believing: Enhancing Human Performance.** (http://www.nap.edu/books/0309049938/html/index.html) This is an entire Online Book. |
|  **Practice Theory for Organizational Learning** (http://www.systemsprimer.com/what\_is\_a\_practice\_theory.htm) In 7 chapters this article describes a practice theory for Organizational Learning that can integrate learning and action to achieve superior results. Chapters 1 through 3 describe the theory. Later chapters focus on examples of application. |
|  **Rethinking Leadership in the Learning Organization** (http://www.thesystemsthinker.com/PDFs/070101pk.pdf) Article by Peter M. Senge |
|  **Self-Managed and Self-Directed Work Teams** (http://www.mapnp.org/library/grp\_skll/slf\_drct/slf\_drct.htm) Numerous links and resources are provided here. |