



Organizational development impact at banking industry

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Abstract

The reason of this research is to explore the procedures of organizational development and procedures of awareness as applied to executives of banking industry. Another purpose of this study is to determine whether perceptions of different employees about organizational development. Today's organizations operate in a rapidly changing environment. Consequently, one of the most important assets for an organization is the ability to manage change and for people to remain healthy and authentic.

Keywords: organizational development, banking industry, perceptions, administration

Introduction

The nature and needs of organizations are changing dramatically. Correspondingly, the profession of organization development (OD) has been changing to meet the changing needs of banking industry. Therefore, it may be most useful to consider several definitions of organization development. Organization Development is an effort planned, organization-wide, and managed from the top, to increase organization effectiveness and health through planned interventions in the organization's 'processes,' using behavioral-science knowledge. Today's organizations operate in a rapidly changing environment. Consequently, one of the most important assets for an organization is the ability to manage change and for people to remain healthy and authentic. Organization Development is the attempt to influence the members of an organization to expand their candidness with each other about their views of the organization and their experience in it, and to take greater responsibility for their own actions as organization members. The topic under consideration is organizational development, knowledge creation and change management. The main focus of this research is to see how the process of change management is affected by organizational development and knowledge creation. In order to get an overall view of that these broad areas are their relationship with each other, a literature review was conducted. "Organization Development is a body of knowledge and practice that enhances organizational performance and individual development, viewing the organization as a complex system of systems that exist within a larger system, each of which has its own attributes and degrees of alignment. OD interventions in these systems are inclusive methodologies and approaches to strategic planning, organization design, leadership development, change management, performance management, coaching, diversity, and work/life balance."

Organization development is a response to change, a complex educational strategy intended to change the beliefs, attitudes, values, structure of organization so that they can better adapt new technologies, markets, and challenges, and the dizzying

rate of changes itself according to current situation of market in the new trend of globalization. In this era of passionate competition and globalization only some people will disagree that the success of any organization is a direct reflection of its managerial effectiveness and efficiency. It has been generally observed and widely believed that organizational behavior, an area of organizational development is generally ignored in public sector organizations. A branch of management sciences with the name of organizational behavior, based on theories and models provide detailed information about the behaviors and attitudes of people in organizational setup. Even though organizational development depends upon number of factors but to understand needs, concerns, and perceptions of employees the organizational climate needs to be assessed. Organizational climate refers to a set of measurable properties of the work environment, that are perceived by the people who live and work in it, and the influence their motivation and behavior. The organizational atmosphere is people's perception and attitude about the organization - whether it is good or bad place to work, friendly or unfriendly, hardworking or easy-going, and so forth where as the organization culture is the deep-seated assumptions, values, and beliefs that are enduring, often unconscious, and difficult to change. He also argued that atmosphere is relatively easy to change because it is built on employees perceptions.

Review of literature

Effectively managing human resources in the organizations is big concern both for HR managers and the policy makers of the organization and banking industry are no exception to this. To have a satisfied, motivated, less stressed performing workforce an organization must have consistency amongst its structure, system, people, culture and good fit with the strategy. Impact of different factors on job satisfaction has been analyzed in the literature. Some studies focus on demographic determinants of workers job satisfaction but, the others relate it with nature of work and working conditions at the workplace. Similarly, fair promotion system in the organization, job autonomy, leadership behavior, social

relations and the job itself are also among the important factors of job satisfaction. Employees' attitude towards their organization which has great impact towards their working ways and contributions, in consequence organizational climate causes organization performance because this relates directly to employees' motivation. The topic under consideration is organizational development, knowledge creation and change management. The main focus of this research is to see how the process of change management is affected by organizational development and knowledge creation. In order to get an overall view of that these broad areas are their relationship with each other, a literature review was conducted.

Worren & Ruddle & Moore (1999) explored about how over the years people have moved from organizational development to a more holistic view which is change management. According to this article the tools used in change management and organizational development are the same but the rationale behind it is different. For example attitude surveys are used in both. In organizational development it was used to gauge job satisfaction and the climate of the organization but in change management it is part of a strategy driven and holistic change program. This article basically uses research of various other people to give us a complete picture of what change management is all about. According to them as now the scale of businesses is increasing and so is the need for having specialized firms to administer change. They talked about interventionist and integrative strategies. Interventionist strategies are used in organizational development where as integrative strategies are used in change management. The variables taken from this article are change management and organizational development. These variables are very important for the research as it clearly defines what the word change management would mean when it would be used in the research. The definition also takes both the culture and structure aspect of change management into account. The authors concluded that in order to increase the standard and the overall performance of the organization the company as to use the integrative strategies because when the employees are a part of the whole process the resistance to change is minimized.

Ikujiro Nonaka (1994) gives a comprehensive view of how knowledge is created within the organizations. The main variable identified for knowledge creation is innovation. It is defined as follows. 'Innovation is a process in which the organization creates and defines problems and then actively develops new knowledge to solve them'

The article also identifies three dimensions of knowledge creation. This includes epistemology, ontological and the 'spiral' model of knowledge. The paper differentiates between codified, formal (explicit) and informal, personal information. He concluded that the organization played a very important role as far as knowledge is concerned. The organization can facilitate the creation of knowledge by encouraging socialization, internalization of codified information into tacit information etc.

Choi & Lee (2002) stated that knowledge creation is very important to insure a persistent positive financial growth. The authors basically classify the knowledge creation management strategies into either human or system oriented. They used empirical data to prove the link between the mode of

knowledge creation and its management strategies. The authors concluded that proper grouping of the mode of knowledge being used and the strategies involved is essential to achieve the desired financial improvement. For example if the mode of knowledge creation is socialization it should be aligned with the human strategy in order for it to be effective. It also found out knowledge creation strategies different with different types of departments that are taken into account. This research also gives us guidelines for future research which includes a comparative analysis between the service and the manufacturing sector. This study basically shows how qualitative variables can be measured quantitatively. I will be using the study as a guide when formulating the survey form etc.

Bloodgood & Salisbury (2001) talks about that organizations' can implement change and gain and maintain a complete advantage but this cannot be achieved by knowledge creation alone. Knowledge transfer and knowledge protection is equally important. The authors have used the Resource-Based View (RBV) to explain how both types of information i.e. Explicit and tacit can help in the change process and how they can be transferred to achieve long-term benefit. In the paper they identified knowledge creation as a process which is based on creativity and a shared knowledge between a group of people which can be used to make new products as well as management strategies. The authors went on to stress that it is not just creating knowledge. It would be of no use if other can get that information from your company easily or it can be altered. So the protection of the knowledge is equally important for a business to remain competitive. To ensure its safety security and legal measure should be used.

Rune Todnem's (2005) paper basically talks about things which should be taken care off when conducting research in the field of change management. This article basically takes into account various researches conducted in this field and then draws consensus based on the data they have. The two main findings of this paper were as Firstly, it is agreed that the pace of change has never been greater than in the current business environment. Secondly, there is a consensus that change, being triggered by.

The Organizational climate is positively related to the job satisfaction and organizational commitment. The higher organizational climate will lead to higher job satisfaction and more organizational commitment. For the success of banking, it is very important to manage human resource effectively and to find whether its employees are satisfied or not Workforce of any bank is responsible to a large extent for its productivity and profitability. Efficient human resource management and maintaining higher job satisfaction level in banks determine not only the performance of the bank but also affect the growth and performance of the entire economy. Despite prevalence of out dated system in an organization empowered work teams may work and flourish, but ultimately it will require the revision to improve the organization's system as well as banking industry.

Objective of the study

The study is related to understanding the nature and concepts of organizational development through learning the perceptions of organizational employee.

To examine the factor of organization development
 To examine the awareness of employee about their organization in banking Industry
 To examine the impact of organization development on progress of industry

Scope of the study

The newly perception about the management of banking industry requires a new look at the concept of performance. In the past, performance was defined in terms of a raise in the level of output of services with the same or reduced level of input as a result of better work methods and improved technology. It is, however, only through the employees that the ultimate increase in performance is achieved. Their performance is more important than equipment and services. Therefore, performance needed to be redefined in terms of employee motivation and satisfaction. Managing the employees today is an increasingly difficult task. The involvement, sincerity, creativity and dedication to the job that the management expects do not seem to be the outcome of financial incentives as was believed earlier.

Research Methodology

This research is descriptive in nature. The research is based on both primary data and secondary data. The main source of primary data has been employees and customers of banking industry NCR region of Haryana. To elicit information from the customers and employee of banking industry a schedule was designed and administered. The schedule was pre-tested and suitable modifications were carried out. The secondary data was collected from leading journals, magazines, newspapers, reports etc. Sample size of this study is selected five hundred employees of banking industry at different positions and customers of banking. Both type of respondents male and female are included in this research of banking Industry. A good number of standard text books was referred to obtain pertinent literature on the subject.

Table 1: Demographic data of the respondents

Gender	Percentage
Male	65%
Female	35%
Average age group	25-45(75%)
Education level	100%

Interpretation

In the present research we select 65% of male respondents and 35% of female respondents for getting the results about the research. 75% respondents are well educated and skilled to use of new technology but 25% of respondents are well educated but not skilled to use new technology. Since the responses of the participants reflected their perceptions in relation to the daily business practices, a descriptive analysis was performed for understanding and comparing the general atmospheric features of the organization. In regard to assessing the cultural dimensions were calculated individually, and then, their averages were computed to understand the differences in cultural dimensions of organizations as this type of analysis preferred in similar studies, though there was no

clearly distinguishable formation of any cultural dimension of respondents, the participants of banks perceive their organization as being more innovative.

Limitations of the study

Organizational atmosphere is an intangible and subjective concept. Therefore it cannot be measured directly. It can be measured only indirectly through opinions on responses to the various determinants. In the present study organizational atmosphere is measured with the help of Five hundred respondents’ interview schedule specifically designed. Researcher has a limit for selection of sample size who represent the universe of banking Industry. Because large sample size has create some other assumption for researcher.

Finding & Suggestions

The research implied the importance of the creation of supportive work atmosphere for organizations to function in line with modern managerial principles. The nature of the work is important for climatic formation. The culture of innovation had relatively lesser level of relation with climatic variables in compare to supportive culture that was because innovative culture requires considerably different type of formation in terms of focusing on the enhancement of the creative abilities of organizational members. This implied that innovative type of culture requires much higher degree of freedom and autonomy for introducing, discussing and practicing new and even awkward ideas in organizations.

Conclusion

In this research the analysis of the responses of bank employees was presented on the basis of the banks in which they are working. The result shows that private sector bank employees were good when compared to other forms of organization of banks in NCR Haryana. The determinants “Performance appraisal”, “Image of your bank”, “Training and development” and “Employee grievance handling” are the areas to be focused upon immediately to improve the level of organizational atmosphere. Therefore the organization should work more on building effective structures, just to give clarity about the roles and responsibility to the executives. More the executives are clear about their roles and responsibilities, greater they get job satisfaction. In this research we discover that banking industry should get more progress through using organizational development. Banking industry should improve the skill of their employees. In the present stage of globalization banking Industry growing day by day. Up gradation of Banking Industry is the main factor of industry progress. Organization Development playing important role in the banking Industry enlargement.

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