

## THE RELATIONSHIP BETWEEN CHANGE AND ORGANIZATIONAL DEVELOPMENT

Stelica Cosmin ROMAN

Land Forces Academy Nicolae Bălcescu, Romania  
romanstelicaosmin@yahoo.com

### Abstract

*Through a correct management of an organization, it can lead to its development and improvement of the organizational structure, resulting in an increase in the effectiveness of carrying out specific activities. Change management is seen as a challenge for any organization whether they are aware of it or not. An organization is exposed to failure if it lets change control it. Improving the performance of an organization is based on identifying and understanding the functioning of governance structures and mechanisms. A successful organization achieves the best results in unpredictable moments, this cannot be achieved if it does not adapt to changes, does not take risks or if it is not flexible at key moments. The process of adapting an organization in the context of change can induce a process of evolution or involution. Change management can facilitate the elimination of risk situations and the maintenance of the organizational environment in a situation of balance, thus contributing to ensuring a continuous development.*

**Key words:** *Organizational culture, Resistance to change, Process of change, Adaptability.*

**JEL Classification:** *M12, M54, G32.*

### a. INTRODUCTION

In the current context, organizations are constantly subject to the processes of change (Einsen S., Steele H.C., 1995) and development, and they are forced to react or act in advance to the challenges they face. Change is " the replacement, modification or transformation into form and/or content of an object or phenomenon ". The continuous change in the environment in which organizations operate is caused by factors and forces that put pressure to achieve their transformation and development (Cicerone I., 2000).

Organizational development through the design, design and implementation stages achieves changes that facilitate the efficient use of resources, resulting in an increase in economic effectiveness and efficiency.

The process of change involves a succession of activities (Predișcan M., 2001) and management relations aimed at adapting the company to the requirements of development. In a world where change is permanent, continuous and rapid, "the only constant in the universe is change" (Heraclitus of Ephesus), an implementation of innovative types of change is mandatory.

Regardless of the level of specialization of the staff of an organization, adaptability to environmental developments (Mihuț I., 2002) must involve all the components of the organization. The involvement of the entire organizational structure in the adaptation process highlights the importance of organizational culture, which plays an essential role in the development of mental orientations and behavioral skills that favor flexibility.

## II. FUNCTIONALITY OF PARAMETERS AND THEIR INABILITY SUBJECT TO THE PROCESS OF CHANGE

Within an organization, inability to change functional parameters, especially strategy, may occur if its employees do not adopt the necessary behaviors in interpersonal relationships, in approaching work duties and difficulties, in contact with various exogenous variables. If we are talking about change, both of a structural nature and the implementation of new technologies, we must follow the behavioral changes at the individual and group level within the organization. There are forces inside, but also from outside the organization that are pushing in favor of change: technological advance (implementation of systems and technologies to be able to meet all challenges and requirements), the evolution of ideas, the obsolescence of products (the need to replace with current products), market changes, social and cultural mutations. These pressures are permanently found, but an organization opposes, to a greater or lesser extent, the change, that is, it resists change for several reasons: habituation, loss of motivation in work, decreased morale (Cummings T.G., Worley C.G., 1997).

Resistance to change can manifest itself both individually and collectively. Individual resistance has as its main causes: fear of the new (fear of the unknown causes astute unease when it comes to facing the unknown), economic reasons (most people who have learned to perform their duties successfully, achieving performance,

are afraid because changes can threaten their economic security or even incomes), dependence on other people. If we talk about the organization's resistance to change, we identify the following causes: the threat of countries to power and influence, the organizational structure, the limited resources, the immobilization of capital, the inter organization agreements.

The desire to be as competitive and innovative as possible attracts change, which is no longer an option, but a necessity, and to be implemented at the level of an organization it is imperative to know the "analysis of the field of forces" concept developed by the so-called pioneer of social psychology, Kurt Lewin. He sees change as " a dynamic balance of forces acting in opposite directions, some pressuring change and others opposing change". To introduce change into an organization, managers must change the dynamic balance of forces in that organization by: "increasing the force of pressure towards change, bringing back or completely suppressing the forces that oppose change or changing the direction in which a force acts, that is, the transformation of a force of resistance to change into a force that makes pressure for change" (Kurt Lewin, 1951).

Regarding the presented results the need for change management (planning, organization, coordination, training, and control of change).

### III. CONSIDERATIONS FOR TRANSITION MANAGEMENT

Starting from the fact that change in an organization can create states of imbalance by leaving the old way of doing things, we will apply the method of analyzing Lewin's field of forces in the idea of bringing the organization back into a desired state of balance.

Despite any demonstrative exaggerations, the culture of an organization is a good, real, and powerful thing, being at the same time difficult to change by presenting a point of view that culture is a learning process that can be "unlearned"(Schein, 1985). Changing the organization "in depth" is especially difficult. It is therefore common sense that a company should not try to change culture without a serious reason (Emmanuel Bonna, 1996). Tunstall's 1983 description of the obstacles encountered in changing the culture of one of the world's largest corporations. It mentions the review of all obstacles of a technological, operational, and not least an organizational nature.

Robbins mentions that in a situation where the managers cannot imprint on their organization a deliberate change of culture, the very idea of changing culture has a practical utility and can only be of an academic interest (Robbins, 1987).

### IV. PHASES AND LEVELS OF ORGANIZATIONAL CHANGE

Looking at the stages of changing the organizational behavior, they have a complex plan of involvement that is at the interface between the individual, group / compartment and where the collaboration of the teams is needed to fulfill major tasks. The most complex plan of involvement, from the point of view of the individual, is that of the relationship between the organization, taken as a whole, and the external environment (Nicholas S. Rashford and David Coghlan, 1996).

**Table 1.3.1:** *Stages of changing at the individual-group-team-organization level*

		Denial	Dodge	Action	Stabilizare
Phase 1	Individual	✓	✓	✓	
	Group				
	Equip				
	Organization				
Phase 2	Individual			✓	
	Group				
	Equip	✓	✓	✓	
	Organization				
Phase 3	Individual			✓	
	Group	✓	✓	✓	
	Equip			✓	
	Organization				
Phase 4	Individual			✓	
	Group			✓	
	Equip			✓	
	Organization	✓	✓	✓	

Phase 5	Individual				✓
	Group			✓	
	Equip			✓	
	Organization			✓	
Phase 6	Individual				✓
	Group			✓	
	Equip				✓
	Organization			✓	
Phase 7	Individual				✓
	Group				✓
	Equip				✓
	Organization				✓

Source: Elaborate by author after Nicholas S. Rashford and David Coghlan

Governance applied to the public sector can be operationalized on three levels macro, meso and micro – because for each level of the face an adjusted governance model is required (Spanhove; Verhoest, 2007).

Therefore, non-micro-level governance or organizational governance is linked to competences, structures and tools for guiding, controlling, monitoring and explaining the behavior of people within a department or agency, how to achieve organizational goals effectively, efficiently and transparently (Spanhove; Verhoest, 2007), another category relevant to governance is related to mechanisms of accountability of the organization and involves transparency, accountability for both agents through control actions and provision of accounts (Koppell, 2005; Pinho; Sacramento, 2009; Rock, 2009).

To understand the governance movement in organizations, from the changes that have occurred in their structures, in our mechanisms of operation and interaction with other actors, forms used in this study of theory and institutional theory, two stakeholders. Due to the coercive mechanism, change in an organization derives from formal and informal political influences and the press exercised by other organizations with limited resources, especially financial resources. Or mimetic isomorphism results from the adoption of practices that are recognized to have been successful or legitimized by other organizations, which arise when there is uncertainty of the adoption of innovative practice in the organization (Nildete dos Passos Oliveira, Pedro Carlos Resende Jr., 2020).

Under the influence of individuals and other organizations within an institution can also be observed in the light of two-party theory, or Stakeholder Theory, in which stakeholders express themselves or stakeholders can be understood as groups or individuals who affect and are affected can achieve two goals of the organization (Freeman; Reed, 1983). In relation to the management of two stakeholders, (Gomes, 2005) suggests that the main questions in the context are related to the identification of the main stakeholders, so leadership is essential for good governance and service provision (Ngoepe; Ngulube, 2013).

Table 1.3.2: Categories and variations of the governance model- Strategic management

Category	Strategic management										
Category description	It involves aspects related to the functioning of the organization										
Summable	Administrative courts of government support			Organizational process	Organizational strategy		Risk management	Interested parties		Stakeholders	Partnerships
Elements related to variables	Setting up the Board of Directors	Support committees	Internal audit action	Information management	Definition and implementation of strategic management	Strategic planning	Implementation and evaluation of management	Definition and disclosure of two communication channels	Promoting the participation of all stakeholders	Service of the interests of interested parties	Joint Action
References	Blank e Van Hulst (2011), Chahale K.(2013)	IFAC (2001); Lei n. 13.303 (Brasil, 2016);	Bello (2013); Chahale Kumari (2013);	ANAO (2014); IFAC (2001);	ANAO (2014); IFAC/CIPFA (2014); Gnan et. al (2013)	ANAO (2014)	ANAO (2014); IFAC/CIPFA (2014); Lei n. 13.303 (Brasil, 2016)	ANAO (2014); IFAC (2001); OCDE (2015); TCU (2014)	ANAO(2014); IFAC (2001); Gnan et. al (2013); IFAC/CIPFA (2014);	ANAO (2014); IN n. 01 (CGU/MPOG, 2016);OC DE (2015);	ANAO (2014); IFAC/CIPFA (2014); TCU (2014)

Source: Elaborate by autor after Nildete dos Passos Oliveira and Pedro Carlos Resende Junior

**Table 1.3.3.:** *Categories and variations of the governance model- Personal*

Category	Personal									
Category description	It involves aspects of people working in the organization									
Summerable	Exercise of leadership		People's management			Responsibilities	Remuneration	Ethical behavior model		
Elements related to variables	Definition of organizing policy	Responsibility by direction, monitoring and evaluation of the organization	Select people	People's capacity	Evaluating people	Definition of responsibility	Definition of remuneration	Ethical performance	Adaptation of the code of ethics	Impartial decisions on decision-making
References	IFAC (2001); IFAC/CIPFA (2014); TCU (2014)	IFAC (2001); IFAC/CIPFA (2014); IN n. 01 (CGU/MP OG, 2016); OCDE (2015); TCU (2014);	IFAC (2001); Lei n. 13.303 (Brasil, 2016); Schelker (2013); TCU (2014)	ANAO (2014); IFAC (2001); IFAC/CIPFA (2014)	Lei n. 13.303 (Brasil, 2016); TCU (2014)	ANAO (2014); IFAC (2001); OCDE (2015); Oberoi (2013)	FAC (2001); TCU (2014)	IFAC/CIPFA (2014); IN n. 01 (CGU/MPOG, 2016)	IFAC (2001); IFAC/CIPFA (2014); Lei n. 13.303 (Brasil, 2016)	IFAC (2001); OCDE (2015)

**Source:** Elaborate by autor after Nildete dos Passos Oliveira and Pedro Carlos Resende Junior

**Table 1.3.4.:** *Categories and variations of the governance model- Responsibility*

Category	Responsibility									
Category description	It involves transparency, accountability and the provision of organizational accounts									
Summerable	Transparency			Responsibility				Provision of accounts		
Elements related to variables	Transparency of data and information	Satisfaction share	Organisation monitoring and evaluation	Compliance with laws and rules	Budgetary and financial compliance	Managing conflicts of interest	Determination of irregularities	Periodic liability	Performance of the annual audit	
References	ANAO (2014); IFAC (2001); IFAC/CIPFA (2014) IN n. 01 (CGU/MPOG	ANAO (2014); TCU (2014)	ANAO (2014); IFAC (2001); IFAC/CIPFA (2014); TCU (2014)	IFAC (2001)	IFAC (2001); IFAC/CIPFA (2014)	ANAO (2014); IFAC (2001); OCDE (2015); TCU (2014)	IFAC (2001); TCU (2014)	ANAO (2014); IFAC (2001); IFAC/CIPFA (2014);	OCDE (2015)	

**Source:** Elaborate by autor after Nildete dos Passos Oliveira and Pedro Carlos Resende Junior

## V. CONCLUSIONS

This paper was aimed at presenting the process of change and development at the level of an organization, the stages through which the process of change is carried out, as well as the importance of change for an organization so that it operates at high parameters and resists all the forces that oppose **adaptation**.

Change is imperative, because in the current context the challenges are more and more numerous, forces appear that subject organizations to changes for them to resist and permanently reach a state of balance. Today's organizations are tending towards imbalance due to changes imposed by technology and international competition. The remedy for this situation is change, or rather the changes, because if one tries to restore the state of equilibrium through a change and it fails, the second change is attempted, then the third and so on.

Many organizations are heading for collapse just because their members do not know that there is another route to follow. This is more important, if we have knowledge of the future, we know that it will be different from the present. No matter what it's going to be, there's going to be a change. The only thing for sure is that between the present and the future, there will be a lot of changes. There are no ways we can deviate from this situation

**VI. REFERENCES**

1. Australian National Audit Office (Anao) (2014), Public sector governance: strengthening performance through good governance – better practice guide
2. Burduș, E., Căprărescu, Gh.(1999) Fundamentele managementului organizației, București, Ed. Economică, 1999.
3. Cicerone, I.(2000), Cum să construim și să implementăm un sistem de management de mediu în conformitate cu ISO 14001, Ed. Economică, București, pag.101
4. Chahal, Hardeep; Kumari, Archana(2013), Examining talent management using CG as proxy measure: a case study of State Bank of India. Corporate Governance, v. 13, n. 2, p. 198–207, 2013.
5. Cgu/Mpog, Controladoria - Geral da União (CGU) (2014), e Ministério do Planejamento, Orçamento e Gestão (Mpog). Instrução Normativa n.01.
6. Cummings T.G., Worley C.G.(1997), Organisations Development & Change, ediția a șasea, South-Western College Publishing, Cincinnati, Ohio.
7. Einsen S., Steele H.C.(1995) – Developing OD Competence for the Future, San Diego, 1995.
8. Emannuel Bonna, Management competitiv.Perspective și exemplificări, Ed. CODECS, București, ISBN 973-96596-6-8, p.151.
9. Freeman, R. Edward; Reed, David L.(1983), Stockholders and stakeholders: a new perspective on corporate governance. California Management Review, v. 25, n. 3, p. 88–106.
10. Gomes, Ricardo Corrêa (2005), Uma proposta de instrumento de pesquisa para explorar as influências dos stakeholders nas organizações públicas. Alcance, v. 12, n. 1, p. 9–26.
11. Ifac/Cipfa(2014) International framework: good governance in the public sector.
12. Koppell, Jonathan G. S.(2005) Pathologies of accountability: ICANN and the challenge of “Multiple Accountabilities Disorder”. Public Administration Review, v. 65, n. 1, p. 94–108.
13. Lewin K.(1951)- Field Theory in Social Science, New York: Harper and Row.
14. Mihuț, I.(2002), Euromanagement, București, Editura Economică.
15. Ngoepe, Mpho; Ngulube, Patrick (2012), An exploration of the role of records management in corporate governance in South Africa. South African Journal of Information Management, v. 15, n. 2, p. 1–8, 2013.
16. Nicholas S. Rashford and David Coghlan, Management competitiv.Perspective și exemplificări, Ed. CODECS, București, ISBN 973-96596-6-8, pp.160-161.
17. Predișcan, M.(2001), Managerizarea schimbărilor organizaționale, Timișoara, Editura Mirton
18. Robbins, S.P. (1987), Organization Theory, Structure, Design and application. Englewood Cliffs, Nj: Prentice-Hall, p.368.
19. Schein, E.H., (1985), Organizational Culture and Leadership, San Francisco: Josey-Bass.
20. Spanhove, Jürgen; Verhoest, Koen.(2007) Corporate governance vs. government governance: translation or adaptation? p.1–40.
21. Tribunal de Contas da União (TCU) (2014), Referencial Básico de Governança. Tribunal de Contas da União.