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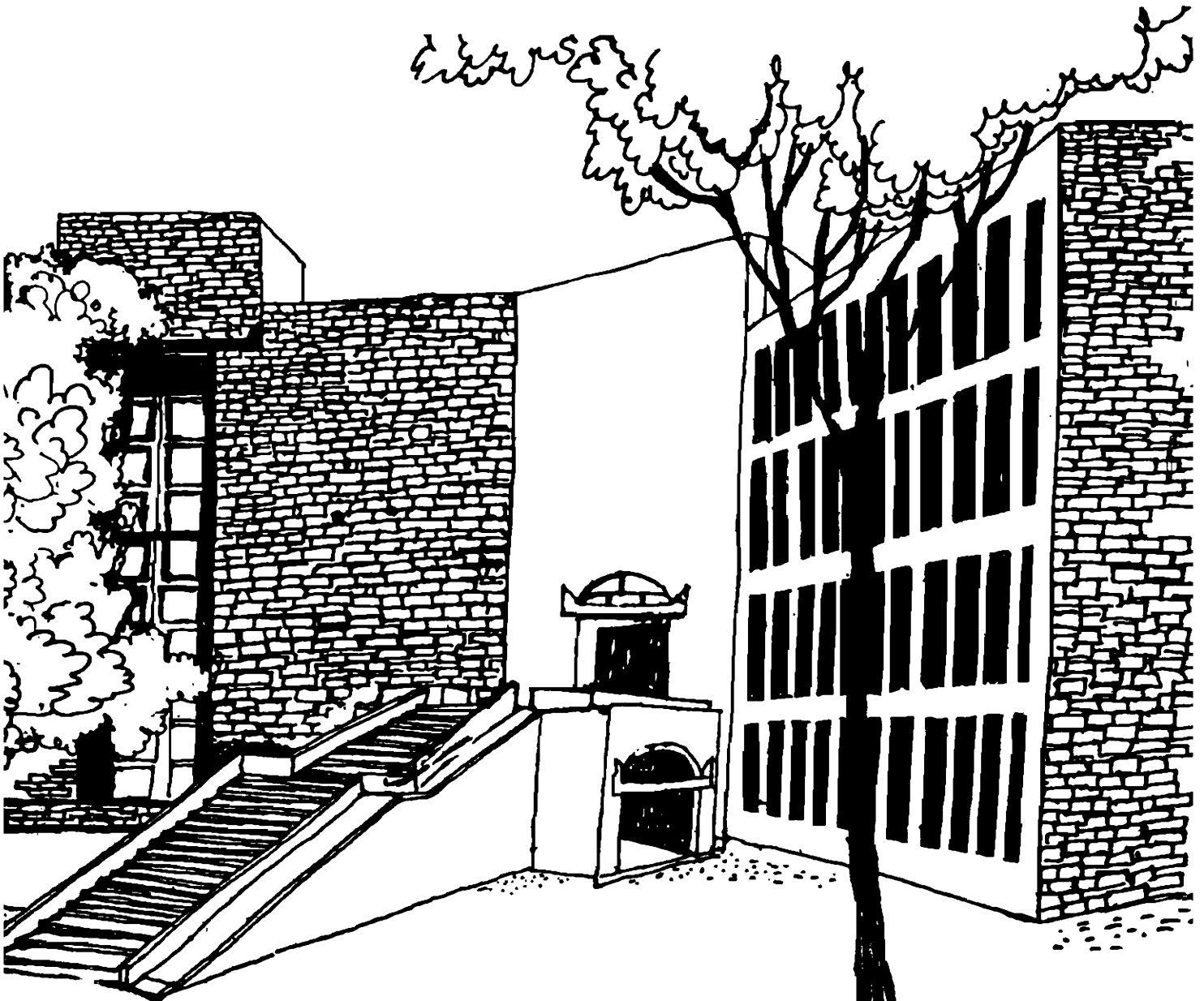
CHALLENGES OF INDIAN ORGANIZATION
IN THE TWENTY FIRST CENTURY

By

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Abstract

This paper was explored and identified organizational realities through a process of discussion and the dialogues with CEO's and employees across various levels of heirarchy of the organization. This paper has identified five critical dimensions and characteristics of growth and patterns of Indian organization resulting in two kinds of organizations viz the decaying and the dynamic. The five dimensions are : Organization history, Organization ethos: work and people culture, Organizational leaders and their role models, The groups and collectivities of people across levels and Managerial and Organizational Issues.

The paper then addresses the issue of the challenges of tomorrow's external and internal environment and their impact on Indian organizations and the responses the Indian organizations make or can make. The paper attempts to identify some new processes of renewal and regeneration which the organization can initiate for themselves.

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INTRODUCTION

India as a nation, industrialisation in India and Indian organizations in specific are all poised for a quantum growth.   The industrialization in India is about six decades old. India's industrialization and the form, structure and operationalising of organizations have come a long way from humble beginnings of small production and manufacturing units to today's IT revolution where Indians have made their mark. Today across the world the Indian skill and expertise reflect the pride of contributing to revolutionise the IT sector. In civilization of five thousand years sixty years is but a short span. However, in the lives of people living those sixty years, it is a lifetime of happenings and transformation. India, as a country is yet to make its mark in many areas of both industry and management practices in organizations, which focus on quality products as well as life spaces of people.

Once upon a time Indian products and craftsman were known for perfectionism and elegance reflected in their pristine designs and quality. The history of the last fifteen hundred years, however, is an evidence that something somewhere drastically went wrong. From a nation which took pride in its products and values and ethics of business, generators of wisdom and traditions and of codes of governance of trade, India became a nation seeped in corruption par excellence, shabby products and a country symbolising abysmal fifth. India as a nation and Indian collectivity carried the baggage of glorifying the past but were ashamed of the present. They deified the bygone heroes of the past but mistrusted the integrity of today's leaders. Many in industry respected the mediocres from other countries but devalued or undervalued their own competencies and capabilities and most damaging of all Indians became ashamed of being Indians. The masses could not channelise their energy and will and put in efforts to produce for the nation. The reality that Indians have the capability and the talent, manifested itself in many ways. Indians when working in any country other

than India performed well and as a group reflected intelligence, capabilities, competence, achievements and success. This is evident from the IT boom and the brilliant role played by Indians therein.

Standing at the threshold of the new millennium let us take a few moments to pause and reflect on the process which made Indian industry and organizations with its people, what it is today. And what are the areas of concern which need to be addressed so that new directions emerge, new horizons unfold, new paths are created and new destinations reached. India as a nation, Indian industry and organization with masses of human resource have the potential to create new landmarks of excellence, innovations and management theory and practice. Moreover the country can provide the definition and concept of production and service as well as human processes to live by.

This paper is based on the researcher's twenty years of experience of working with many corporations as a researcher and a consultant. These corporations reflect many industries like oils and refineries, pharmaceutical, textile, engineering units, producers of consumer goods, automobile, and similar other corporations as well as service sector like banks and financial institutions, hospitality and travel. The association has varied from a single, two to five days workshop to over three years. With some organizations the assignment has been a training workshops. With others it is to conduct a diagnostic study. With yet others it is an Organization Development and Design exercise, or facilitating Organization Cultural Transformation Processes. With some others it is working with the managers at various levels for initiating and managing change and with many others it is to professionalise the total organisation and its management practices. The thrust has been on preparing the employees across the levels of the organization so that they could respond to the challenges as well as opportunities. Moreover, it is to equip the employees and the organization with competencies, capabilities, management knowledge, attitudes and skills on the one hand and on the other move to work in groups, teams and task forces anchored in an organizational as well as competitive strategic perspective.

The employees (people) of these diverse organizations which reflect family ownership private sector, public sector, joint ventures, multi-nationals and small enterprises are the owner cum managers, the chairmans and managing directors, the corporate role holders, the top management team, the senior managers group, the large bulk of middle managers, the fresh new recruits straight out of educational institutions, the engineers and the supervisors, the educated and the not so educated workers, and the union members and the union leaders. Each of the individual as well as groups had stories to tell about their life as well as their life in the organization, and the relationship with the superiors, colleagues and the subordinates. These stories were live with events and encounters of their entry, their dreams, ambitions, aspirations and hopes, and their growth with the growth of the organization. Some also carried emotional residues of their being left behind and as such their feelings of let downs and betrayals accompanied by anguish, pain and sorrow as well as resentment, anger and withdrawals. Some had risen fast and arrived at mileposts and landmarks of organization not aspired or visualised for themselves. Some took longer to rise the corporate ladder. Some were star performers while others were perceived as mediocres and while some others as dead woods. These living human beings were part of that collectivity pushing and pulling the frontiers of industrialisation for organization to grow.

The organizations in India have had their share of external and internal pushes and pulls from the larger economic and political context. The economic policies of the government of India, did have a thrust for industrialisation. However, it was also shac killed by the license raj and the barriers created by scarcity. With administration and governance through power and control the Indian organizations grew in spurts. Over decades Indian organizations and their leaders visualised an open economy, freedom and choice of products, opportunities to grow in competition and excel by world standards. However, the interplay of the policies of the government, norms of governance of industrialisation through licence, the scarcity of goods in the country and the industries own profit focus created a sellers market. Once the environmental pressures forced the policies to change, the industries discovered they were not only not prepared for the transformation. they had gone into deep hibernation and nostalgia of a bygone era.

The awakening of the industries, organization and key role holders from deep slumber confronted them with an environment which many found difficult to cope with. However, each Indian organization made its own efforts to respond to the new environment, a constantly transforming environment and which provided many challenges to transform themselves. All of a sudden Indian organization were grappling with a strange species called competition and a process called world class standards in a space called global.

SCOPE OF THE PAPER

Through discussions with many CEO's and employees across the organization and through a process of diagnosing and assessing the internal organizational realities this paper has identified and focused on five critical dimensions and character of growth of Indian organizations as well as its challenges into the next decades, the next century and the next millennium.

1. Organization history
2. Organization ethos: work and people culture
3. Organizational leaders and their role models
4. The groups and collectivities of people across levels
5. Managerial and organizational issues
6. The constituents of decaying organizations
7. The constituents of dynamic organizations

These first dimensions out of the above mentioned seven are contributed by the people of the organization resulting in an organization either decaying or dynamic. This paper explores the history of an organization, its culture, its leadership and people profile and the interplay amongst them, which contribute to the managerial and organizational issues. This paper does not reflect or deal with the issues of technology and their modernisation or introducing the state of the art technology and its impact, the strategic business choices of expansion or diversification or re-engineering, the competition, complexities or the changing business environment and similar other external dimensions. However, it is acknowledged that these are interrelated with the

above seven dimensions as they are a part of the same business environment. This paper draws a boundary in addressing the above mentioned issues as well as the interplay amongst the five to lead to others which contribute to organizations either disintegrating or becoming dynamic.

Organization History

Organization history in India is created by individuals who had dreams and translated their dreams into reality. The individuals created an enterprise and nurtured and fostered it to grow to become large organizations and industrial empires. They as individuals became a name to reckon with. There are many other organizations / institutions created by an individual or groups of people who believed they were at the right place, at the right time responding to the challenges and opportunities available. Such organization's history, its identity its philosophy and values are intertwined with entrepreneurs, initiators the progenitors and individuals who over time become larger than life. History of the organizations and the myths around it got created around the individual who became a giant. Indian industry has many such founders and many such names. The history of the organisation is held differently by different groups of people who have joined at different points of time. Some hold the history as fond memories of a bygone time and era and nostalgically recall the personalities, the direct and personal accessibility of the founder, progenitor and leader, people working together, riding the rough and the gentle waves of times and recall a sense of togetherness which prevailed. The others in the same organization hold the history in disappointments, disillusionments and let downs whereby they carry the resentment and anger of lost opportunities, denials and deprivations and being marginalised. The history of many organization growth is such where the masses of people across levels only did their jobs as a duty and on the instructions, where supervision over the minutest activity was the order of the day and there was a bonding both functional and dysfunctional between the employees and the person representing the top or senior positions. History of the organizations reflected anchoring in one or two or a very few people. The management was traditional, familial and anchored in one person. He represented the social role of a father figure or an elder brother or an uncle while the rest of the employees were obedient, loyal, conscientious and duty-bound sons or

younger brothers who surrounded their lives and offered personal sacrifices for the individual or the organization

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However, what was missing in the past was the active role and participation of the employees to experience and accept themselves as contributing to the growth of the organizations. The individuals, the groups, collectivities and the masses of employees did not see themselves as creating history of the organization. The organization growth and its history was the creation of one, two or a select few people. The rest were the followers and good followers for they too prospered as the organization grew.

The present of the same organizations has been mediated by dramatic and traumatic changes through the reforms in the economic policies, the liberalization of industrial policies and through opening of the door of the country for the entry of competition in the form of organizations which are equipped with resources, state of the art technology and long term strategies to compete.

In the changing scenario, the Indian organizations with their past anchored in traditional management and the baggage of protected environment now confront a challenging proposal to awaken from the slumber and to respond. The present of the organisation awaits a creation of new history. At present the need of the hour is to mobilise the employees to be energised to contribute and produce goods and products which make the Indians feel proud of the products, a market where Indian goods stand the test of competition and the value that Indian goods mean microscopic attention to details to create perfect products. A decade from now the present generation of employees will be part of that history which the next generation will look upon with awe, respect and admiration at the effort, attention and investment in the excellence of production manufacturing and service. The role of this generation of managers is to create a legacy of quality innovation and excellence to be proud of or they too will become a generation who failed the nation. The next generation will continue to carry the baggage of a country producing shabby goods inadequate infrastructures and stifling bureaucracy.

Organizations have taken many steps to initiate and inculcate transformation. The work culture is being transformed through redesigning of structures, formalisation of appraisal systems, clarity of job, role and redefining measures and standards of performance. Essentially, Indian organization are moving from a traditionally managed and personalised organization to a more disciplined, systemic and customer-focused organization. Training of large numbers of people in terms of management knowledge, attitudes, and skills to enhance competencies and capabilities are the order of the day.

The present will shape the future of Indian organizations. The choice before the present policy makers, strategic thinkers, visualisers and dreamers of tomorrow is to plant the seeds of self worth, valuing of its employees, mobilising systemic discipline and pride of belonging. This inspiration can begin to give shape to the history in the making where the role models of the present are heroes for the future generation.

Organization ethos: work and people culture

The work culture of Indian organizations is very much tied to the economic policies of government of India, the socio-cultural context, the phases of industrialisation in the country and its pace as well as the values of the organizations themselves. The philosophical, socio-cultural context of India had at one time provided Indian organization a rich heritage of precision, productivity, pristine beauty in art and the architecture of buildings as well as punctuality to the micro second of the moment in time in the social and rituals. At the same time, India has deeply embedded social structural and relational baggage as well as unemployment to have a national thrust of employment in industrialisation of today, which today has become a burden for industries. This thrust does not address itself to the industrialisation which is geared towards mass production, of economies of scale and uniformity of norms, industrial discipline, behaviour as well as governance.

Indian masses continue to maintain the preciseness of the rituals, auspiciousness of the time for significant events, pristine beauty in the art of construction of religious sites. Here faith is the determinant of creating energy and mobilisation of people. Examples abound wherein a call and a beckoning of a spiritual leader will mobilise

millions of followers to respond. A national crisis, or an organizational crisis of survival will mobilise the employees across the organization to rally around.

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The spirit of collective energy in India has contributed many a times to move mountains. However, the work culture of Indian organizations in the past has been a unique juxtaposition of the traditional and familial dynamics of Indian society. This family culture reflected authority and power vested in one person whereas the rest of the collectivities and masses fragmented themselves. The fragmentation was around groups of people who were experienced to be reference power bases associated with or perceived to be associated with the key person. The other groups were outside of the personalised spaces and association with the key person. This process of fragmentation perpetuated as the organization grew and inducted new people. This led to groups of old and young, old and new, experienced versus new, experienced versus formally and professionally educated, the regional belonging, the educational affiliations and many similar dimensions. This significance or marginalisation also reflected itself in the emergence of new functions in the organization.

Organizationally, new functions got added to the production which initially was a technocratic and technology based culture. New functions like administration, marketing, HR systems or IT were designed depending upon the growth and the tasks of the organizations. These newer functions acquired significance in the structure. If the top management gave significance to the new functions the new functions acquired significance and status while the earlier functions once significant were marginalised.

The work culture of any organization evolves through the interplay of how history is held, the leadership and its charisma, roles, styles and ways of positioning the functions and the emergent dynamics amongst the various levels of the organization. Essentially, the culture of any organization may reflect one or more of the following simultaneous processes.

1. Culture may be postulated in one individual or a group individuals

2. Each organization evolves work methods and work culture influenced by the context of socio-cultural realities and the external business environment which is brought to the organization by the top people as well as the rest of the employees.

3. The growth of the organization is experienced differently by individuals, groups and the collectivitiy depending upon their time of entry and the phase of growth of the organization at that point of time. As such, some remain rooted in the work culture of the past while some others are impatient to move on, while some others visualise the future of what can be and take the organization to new destinations.

4. individuals group and collectivities, operationalises the maps, definitions, beliefs and meanings of the organization as held by them and expect the organization to be congruent with their. The diverse the groups the more pulls and pushes the organization experiences. The role of the key person at the top or the top management then becomes critical whether he/she can bring about shared perspective or an integration to bring the divergence into a coherence.

5. The organization culture is influenced by the history of the organization and how this history is held and interpreted by the people. Many people who have a long association have their own history with the organization and carry residues of feelings from past experiences and as such impact the work culture and their own role and performance in organization. Similarly they create spaces wherein the newer entrants can either feel integrated and assimilated or remain as new entrants even after five years of being in the organization.

Many Indian organizations have undertaken to critically and realistically review their work and people culture which very often has evolved by default. Organizations have initiated Cultural Surveys, Employee Satisfaction Surveys, diagnostic studies, assessment of competencies, capabilities and management education to benchmark their work culture and to initiate the transformation processes to actively design and define work culture. There appears to be a distinct move to value add task orientation to the existing people oriented and familial culture. The organization and its members are undergoing a painful but much needed transformation to a professional, task and strategy oriented work culture where responsibility, authority and accountability are the order of the day where organization's performance is measured through global

benchmarking and standards of excellence are searched and identified to surpass excellence itself.

The interplay of the past continuities and the present discontinuities give shape to organization culture. The present complexities and challenges of the global business environment are the future strategies, which need to be addressed by Indian organizations. The choices for the organizations are to give shape to a work culture of performance, achievements and excellence and where people experience personal and organizational success. The employees need to experience their role and contribution in the emerging success. The work culture needs to be designed and shaped such where the energy of the employees as well as the organization converges rhythmically in a direction. The employees visualise the future and take pride in belonging to the organization.

Organization Leaders

Indian organizations are full of tales about individuals with dreams who single handedly created industrial empires through farsightedness, hard work, zeal, dedication, choosing to walk an unknown path, and sometimes creating a new path. In the present reality of Indian organizations the role of a leader, a CEO, a head of an organization, a progenitor and or an entrepreneur has acquired immense significance and criticality in the survival and sustainability of an organization. The need of the hour is to acquire a competitive edge with a strategic vision vis a vis other organizations. The leader's role, his business acumen, his perceptivity and visualisation of the external business environment and his sensitivity and sagacity to the organization's internal dynamics of people is that cutting edge which will make the organization grow and forge ahead across new frontiers or remain in the mode of routine performance, incremental growth or stagnate. The emerging trend and business culture is of being acquired or swallowed up by larger organizations. In essence the time for mergers and acquisitions and joint ventures and collaborations is a reality.

Indian organizations by and large have been one person institutions. These institutions of the person were rooted in the traditional role models of social duty and governance

of institutions through social code of conduct. The leaders sacrificed their lives and demanded the same from the rest. Sometimes their role became a model of tyranny, oppressions and compulsions which denied individuals their own space, autonomy and choices. However, they retained the absolute authority, control, autonomy and freedom to make choices for themselves, others and the system.

In the eighties and nineties a whole group of individuals broke away from such a pattern and opted for new role models for themselves. These role models were anchored in the reality of the times, to the emerging new aspirations of the collectivities in the organization, to the new ambitions, aspirations and impatience of the younger generation and the opportunities available for a galloping pace of growth. These leaders responded to the call of their own and other dreams and took up the clarion call to fly in a vast infinite space. They dared to look beyond the horizons and created a world and invited others to join.

In order to have people rally around the goals and objectives of the organization individual leader needs to evoke the collective energy across levels of the organization and channelise it to acquire momentum for growth as well as excellence. Discussions and studies of twenty such organizations have thrown up some key characteristics of mobilisation of energy at each level of the organization. These new choices are anchored in the process of transformation and change and geared towards the transforming and emerging new business and people scenarios.

Figure 1
Leadership Roles And Processes At Various Levels Of Organizations

CEO	Institutional and organizational role to initiate processes for both business and people strategies. He/she contributes to the shaping to a work ethos has a vision works with values, initiatives, new traditions and is open to taking an adventure. The mode is of discovery of those concepts, definitions and theories which will work given the socio-cultural realities, business opportunities and the future challenges.
Corporate & Top Management	Contributes to give shape to new work culture. Design corporate events so that the corporate vision becomes real and alive across the organizations. Enlivening the mission of the organization. Creates landmarks for the organization to be proud of.

Senior Managers Group	Organizational Perspective Anchored in Excellence of Performance Resource Mobilisation for achievement and unfolding of human potentials and energy so that there is collective synergy. Creating Mileposts and initiatives to reach the mileposts. Facilitating expression of the self and fulfilling individual and organizational aspirations through performance. Taking the challenge to climb a mountain.
Middle Managers Group	Focus on Task Performance and accountability. Personal Achievements and Success as well as for the organization success. Acceptance of job, task and functional interdependencies. Career design and growth by walking new paths Star Performers offering visibility and affirmation to performers down the line.
New Entrants The graduate Trainees	Fulfilling Personal Ambitions / Aspiration and Achievements in the context of organizations tasks. Reaching New Destinations with Creativity and Innovativeness Participation - Inclusion in task decisions and implementation.
Employees, Staff & Workers	Improving Quality of Life for themselves and the family through productivity. Sense of Belonging to the emerging work culture of the organization through quality products. Enhancement of Socio-economic status Celebrations of institutional and organizational events. Accessibility of CEO and Top management

The role of CEO and others is to evolve multiple configurations of initiatives for the transformation of the organization. The role of the CEO as well as all other groups across the organization constitutes the above characteristics at the level of the organization, people and processes. Unless the CEO and the rest of the groups of employees join the CEO in taking charge to shape the destiny of the organization / institution the organization / institution would tend to flounder against the onslaught of competition.

The Groups and Collectivities of People across levels in the Organizations

As the organization grows there is need for induction of a large number of people in the various cadres of the organization. New professionally trained people are recruited so that the organization grows according to the systems, procedures, policies and strategies required in the market place. The entry of new people creates its own juxtaposition of the old and new and the experienced and the professionals. In any

organization over a period of time there will be many groups of people. The people dynamics in the organization reflects many diverse processes.

People who have risen from the ranks - hard working, sincere and conscientious, feel inadequate and insufficient as newly trained people join in.   They seek respect from the significant people or the top management. They want to be assured and valued for their contribution for having brought the organization this far and walking with the leaders. They also need to continue with the earlier mode of personalised relationship. The new entrants professionally trained are looking for career growth and opportunities. They are ambitious and demanding to go ahead deliver. Organizations need to design integrating process to assimilate the diversity of experience and knowledge of the old and new people.

The organizational dynamics sometimes contributes to fragmentation and compartmentalisation. Sometimes the boundaries are rigid, departmental / divisional walls are high and no shared space of interface emerges.   Some of the home grown managers and employees start feeling devalued and uncared for. This also happens at this point of time when the new generation of leaders begin to take charge and want to take the organization in new directions at a much faster pace.   A new group of people enter the organization who have loyalty to the new incoming leadership or the new challenges and tasks. The organization gets pulled and pushed in the dilemmas and differences between the earlier leader and his group of loyal employees and the incoming leader with the new group of people. Both groups of people bring different qualities to the organization, but end up comparing and complaining amongst themselves. The organization, its leadership and the people experience the dilemma of the resultant fragmentation.

1.   Old people experience disowning and marginalisation
2.   Professionals demand recognition for their contribution.
3.   Old people come through as loyal to the organization.
4.   Professionals are experienced and seen as loyal to themselves and their growth
        and not the organization.
5.   New spaces and interfaces need to be designed so that a shared understanding of
        each other strengths and constraints gets generated.   Organizations require both

groups of people and as such both groups need to be supportive of each other for the performance of the organization.

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Given the growth of the organization, the successive and several generations of employees, and the changing people profile creates a context for the organization to assess where these groups of collectivities are located within the organization. There is a need to identify new vision of the future to which the different groups of collectivities can add. Based on the experiences of many organizations, the following seven dimensions constitute the dominant landmarks of growth.

1. Unprecedented and unplanned growth of many organizations.
2. Emergent changes in the organization structure owing to growth or redesigned structure.
3. Increasing demands from the second and third generation of employees for professionalisation of management practices and inclusion or induction of professionals on the board
4. Introduction of systems and systemic processes to formalise minimise adhoc decisions and personalisation.
5. Change in leadership through succession or retirement.
6. Induction of people both young and experienced professionals who did not belong to the homogenous groups of the earlier phases.
7. Redefinition of roles and authority in the organization and power distribution.

As history of the organization takes roots and organization makes choices there are inevitably some intended and unintended consequences of those choices. Overtime, these consequences take shape of recurrent and repetitive managerial and organizational issues.

Managerial Issues in Organization

The growth of the organization without structural and behaviourial realignments and recaliberations contribute to many managerial issues. For example:

1. There may exist horizontal rigid inter-functional and inter-role boundaries. The issues are made more complex by the people who have been in the organization for a long time and people who have joined recently in functions like marketing, HR, IT, etc.

2. Vertical hierarchy and rigid boundaries across various levels of management and managers. The people experience a loss of personal contact upward and feel less valued by the top.

3. The senior managers may take ad-hoc decisions or make frequent changes in decisions. The absence of consultative processes is acutely experienced.

4. Individuals get perceived as either heroes or villains.

5. The managers work with a firm belief that overengagement means that they are working in the organization. For this they need to be appreciated by the top. The managers also feel they are under-utilised. Often many work one to thrice levels below their designation and role. Promotions has meant doing the same job but with higher remuneration and designation.

6. Issues around delegation and integration of responsibility, authority and accountability. People experience centralisation at the top and lack of autonomy at different levels.

7. Managers have not been exposed to the outside world through participation in seminars, workshops, management education and or other programs. This is more so of people who have been with the organisation for a long time. Professional self renewal and upgrading managerial knowledge, attitudes and skills have not taken place.

8. The organization growth creates overlaps and there is lack of clarity across roles, tasks and functions.

9. Formal task roles are linked to personal preferences and likes and dislikes. creating resentment and anger as well as helplessness. This also contributes disengagement and withdrawal of involvement.

10. Systemic and infrastructural support are not fully available to managers.

11. Managers are rooted in the routine work, are not innovative and do not take initiatives.

These and many more managerial issues are the result of unmanaged and unplanned growth. Many organizations address these issues through workshops for motivation, team building, conflict resolution, managerial effectiveness and other knowledge and skill based programs. For organizations of tomorrow there will be immense focus on groups working together not only with role, interdependencies but groups being interdependent on each other. The personality traits, the managerial roles and the managerial competencies required would undergo change. The organizations would need to identify those processes which would strengthen managers to work in an ambiguous and an uncertain environment of flux and change without getting dislocated from their committment to the organization or loose touch with their families. They truly would need to learn to integrate both work and family in their life space.

Organizational Issues in Organization

Organizational issues are the result of functional and dysfunctional processes over a period of time. Very often the organizations have grown dramatically and the accompanying processes lag behind. The growth of the organization renders the earlier designed structures and systems non operational or the organization outgrow those systems. When the organization do not respond with appropriate systems and processes the unintended consequences cumulate over time and become critical issues which require attention. Some of the recruitment organizational issues which are voiced reflect the following:

1. Organization structure, management practices and processes do not have clarity and create confusion and need to be redefined and recalibrated with growth.

2. The senior managers as a group do not come through as having a shared organizational perspective. They only focus on their function. Given the history and culture many continue to remain functional islands. Each functional head struggles and competes to have a closeness with the chairman or the managing director. The organization becomes several distinctive cultures depending upon the fragmentation between different groups of people represented by their earlier groupings or membership of the organizations.

3. Long term strategies often are not clearly formulated or articulated. These need to be formulated to acquire competitive edge and to envisage the future scenario to prepare the organization for the future.

4. Strengthening management capabilities and competencies through management knowledge, tools and techniques.

5. There are times when the middle and senior group looks for strategic choices for expansion and diversification. Organization at this point has reached a plateau and employees start to feel stagnated.

6. Documentation is missing and needs to be done so that learning gets transferred and there is a continuity. Sometimes, the organizations invent the wheel over and over again.

7. Remuneration package becomes outdated and need to be reviewed and rationalised to attract better talent and retain existing talent.

8. Performance appraisal to be designed which is linked to responsibility, authority and accountability as well standards of performance and team work.

9. Uniform, clear and transparent policy statements on performance appraisal and promotion criteria, perks and benefits are not available which creates suspicion and personalisation.

10. Senior managers as a group to review the organization structure, role, and functions to professionalise management.

11. The organization to sensitize itself to the changing complexity and globalisation of the business environment. This can be done through competitive strategic thinking.

The interplay and the responsiveness of the organization to the above five constituents viz. the organization history, the organization culture, the leaders or successive leaders, the individuals and groups of collectivities and the resultant managerial and organizational issues, contribute to an organization remaining dynamic and alive or stagnate, decay and eventually disintegrate.

Organizational Decline

An organization does not decline overnight. The process of decline takes time and over a period of time disintegrates. The researchers has identified several stages and phases of organization decline. The first phase of any organization decline is the stagnation experienced by individuals, systems and collectivities. The second phase of organization decline is decay at the individual, systems and collective level. The third

phase of organizational decline is disintegration in the total fabric of the organization at the individual, system and collective level.

Below is presented a three by four matrix of different stages and phases of decline at the individual system and collective level. Each stage and phase has a cluster of identifiable characteristics. An organization dysfunctionality initially occurs slowly but unchecked it begins to multiply and acquire an identity and existence of its own independent of the micro event which may have been the initial generator of that process. Elements within each box may occur at different points of time sequentially or simultaneously. The pace, its intensity and its entrenchment entirely depends upon the interplay amongst the five earlier stated constituents.

Any organization may have one or few of those processes and not all of the processes and characteristics mentioned. The organization can be sensitive to these processes and can respond to address the issues once they have identified these processes. One or more of these processes would inevitably exist in any individual, systems or collectivities. However, the organizations need to identify whether these processes are dominant and are contributing to significant dysfunctionality in the organization at any given point of time.
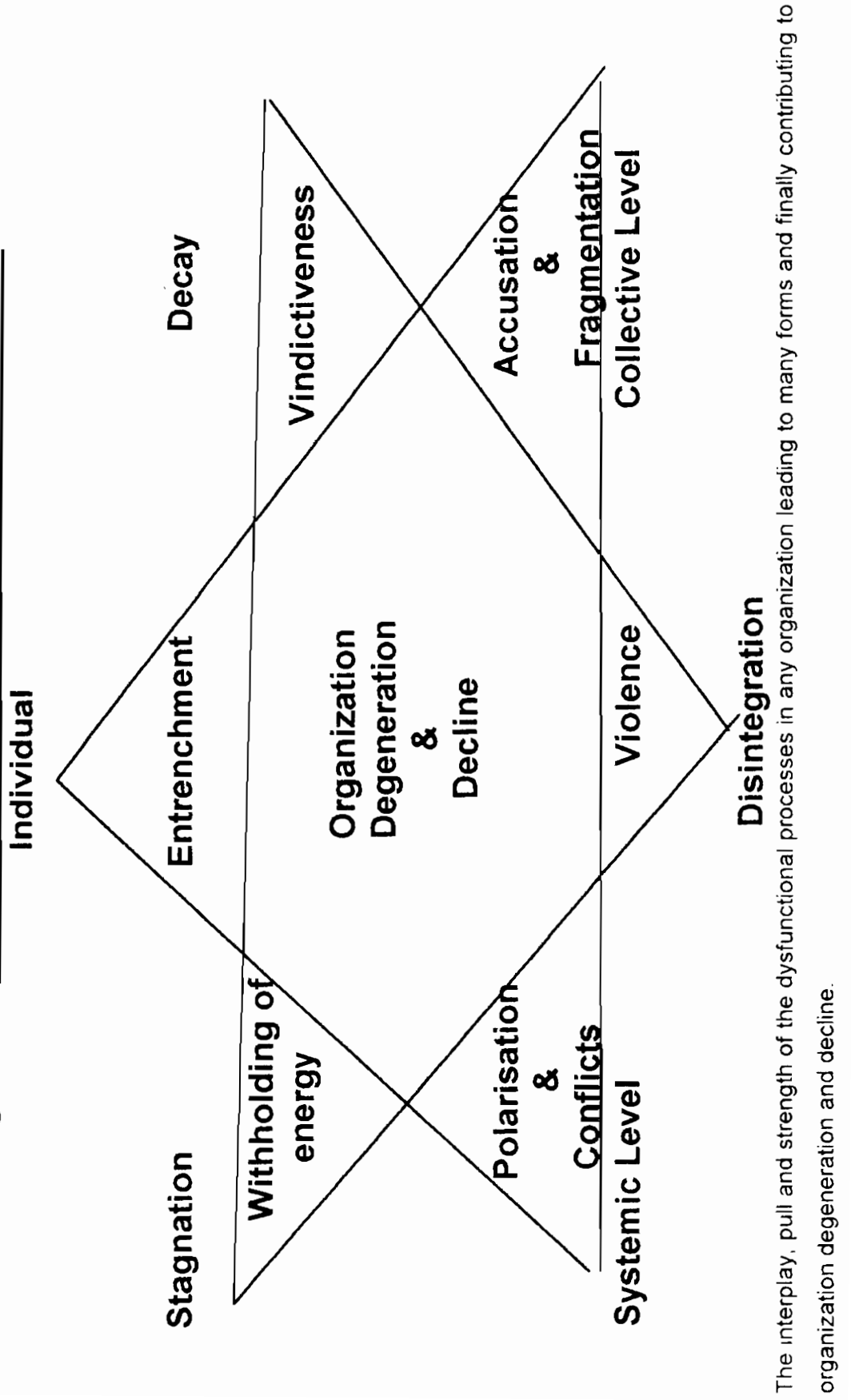
Figure 2 - ORGANIZATION DECLINE

	Stagnation	Decay	Disintegration
Individual	• Entrenchments of Opinions, Ideas & Ways of working • Personal grievances • Carriers of overdetermined past history of the organization	• Focus on personal grievances • Injustice done by the system in the past • Idealises and glorifies dead heroes	• Feels discriminated, deprived - Denied • Needs constant affirmation, • Comparative frame
System	• Rigid • Structures become monoliths • Structures become controlling	• Compulsive norms • Oppression of the structure • Dead ends to innovation • Barriers to creativity	• Corridor gossip • Management by fear, anxiety and crisis. • Systems are personalised • Norms of excellence and quality are violated
Collective	• Withholding of involvement and commitment • Focus on negatives of the Individual preoccupations	• Frozen definitions and meanings of self, people, tasks, and • Fragmentations	• Immense invisible waste • Shame of belonging large masses of mediocrity. • No pride of product. • No pride in organization. • No pride in the nation polarisation

The organization may experience one or more of these elements from any of the nine boxes. These processes of dysfunctionality and decline over a period of time acquire their own life, interface and energy of their own. This energy, interface and life over a period of time has its own structure, processes and pull. The pull gets intensified and the dysfunctional interfaces get repeated whether the individuals, systems or the collectivity want it or not. This process is visible where most organizations, leaders, individuals and collectivities know what is wrong in their systems, what are the problems and what is the dysfunctionality. They also know what is right, what are the solutions and what are the new choices. However, the intensities and the pull of the frozen dysfunctional forces have acquired so much strength and identity that the individual organization and its collectivity find it difficult if not impossible to get out of it and make new beginnings.

Figure 3 presents the interplay of processes of decaying organizations in its the strengths, intensity, power and distinctiveness leading to decline and degeneration.

Figure - 3 PROCESSES OF DECAYING ORGANIZATION

Individual

Stagnation

Decay

Entrenchment

Vindictiveness

Withholding of energy

Organization
Degeneration
&
Decline

Accusation
&
Fragmentation

Collective Level

Violence

Polarisation
&
Conflicts

Disintegration

Systemic Level

The interplay, pull and strength of the dysfunctional processes in any organization leading to many forms and finally contributing to organization degeneration and decline.

As can be seen from the figure 3 the dysfunctional processes acquire a negative energy and momentum of its own which does not permit breaking away from it. Each element acquires a compulsive pull across the systems to finally contribute to decline and disintegration. Organizational violence, industrial unrest, immensely low productivity and enormous invisible wastage of both the individual and organizational resources are few of the manifestations of such a process.

Dynamic Organizations

Just as the organizations have dysfunctional processes of decline and disintegration, the interplay of the five constituents viz. the organization history, the organization culture, the leader or the successive leaders, the individuals and groups of collecitvity, the resultant managerial and organizational issues and how these are addressed over time also contribute to an organization emerging, as dynamic.

The researcher has identified several stages, phases and processes of dynamicity in an organization. The first phase of any organization at the individual, systemic and collective level is revitalisation are dialogue, negotiation and consultative processes. The second phase of organizational dynamicity are regeneration across the individuals, system and collectivity through negotiation and consensus processes. The third phase of organizational dynamicity is to reenergise itself across individuals, systems and collectivity through consultative processes. The constituents of each of these phases and levels are given below in the matrix.

Figure - 4 MODEL OF DYNAMIC ORGANIZATION

	Revitalisation	Regeneration	Re-energising
Individual	• Openness and Shared Understanding • Task Performance • Dialogue to mobilise the collectivity	• Strategic choices • Organization perspective • Initiating change • New choices	• Shared mission • Corporate Events • New Actions
System	• Acceptance of Task Role and Functional Interdependencies • Investing in people and systems • Working in teams	• Shared context • Agreements & Consensus • Redesigning the structure through negotiation	• Initiating New Actions • Arriving new directions • Creating New Landmarks and New Processes
Collective	• New Maps and Definitions of Self, Others • Emergence of Organization Identity	• Shared vision • Broadening the Horizons • Creating new paths	• Designing Relevant traditions and institutional events • Building a community • Enlivening the institution through consultative process

Individual, systemic and collective revitalisation, regeneration and reenergising for renewal and enlivening of an organization.
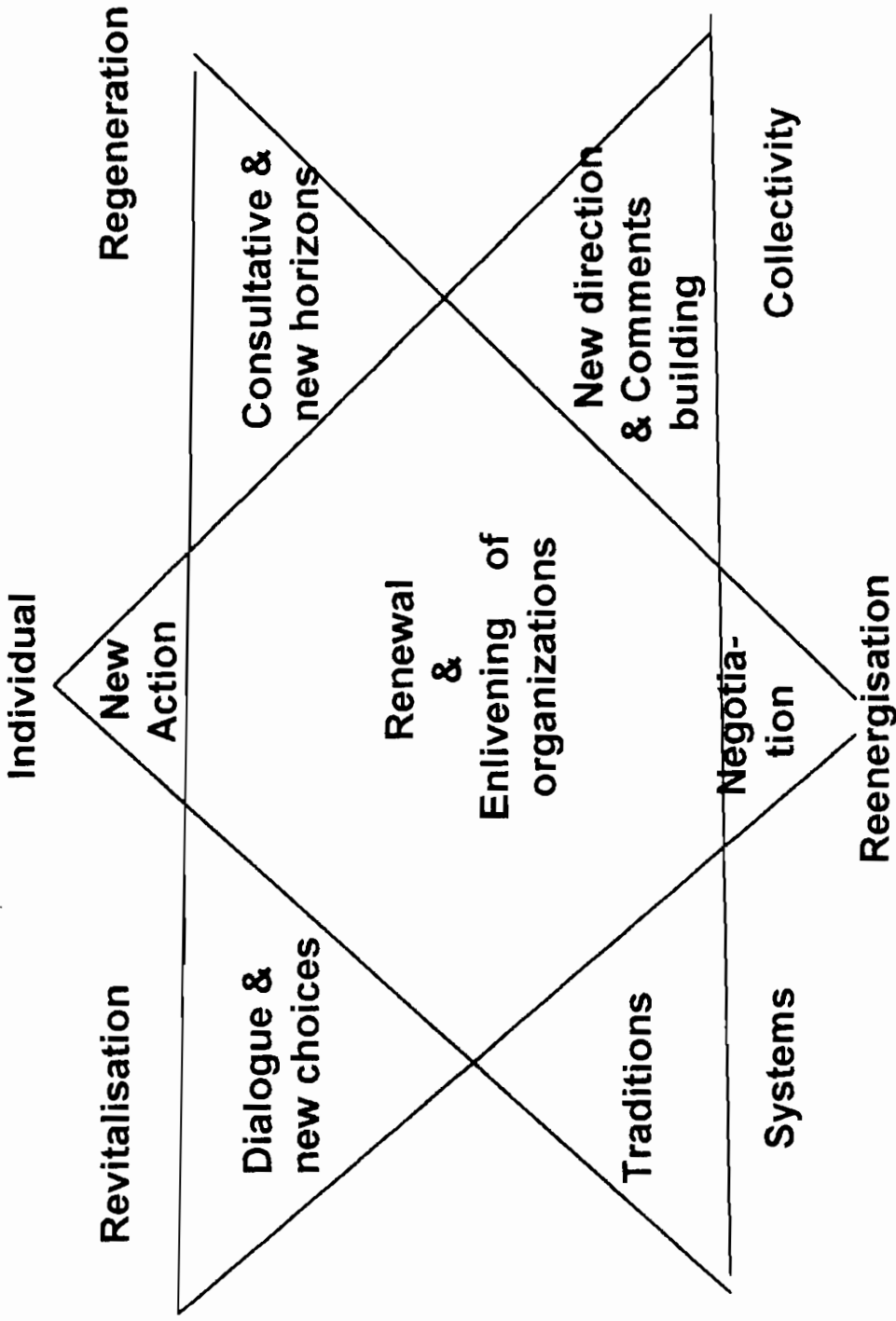
The organizations may experience one or more of these elements from any of the nine boxes.

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The dynamicity in the organization is not necessarily orderly and does not occur sequentially and in the sequentially described stated phases. Elements within each box may occur at different points of time sequentially or simultaneously given the choices made by the organization, its leaders, the pull of the environment and the internal dynamics of the organization. Any organization does have one or few of these processes and characteristics. The organization can be sensitive to these processes and can facilitate and respond once it has identified and accepted these as healthy processes needed and required by the organization.

Both groups of these processes have their own pull and energy and, acquire a structure, life and processes of their own. The energy which is generated from the dynamic of interplay contributes to multiple work and relational interfaces across the organization. Moreover these healthy processes contribute to productivity, quality and performance excellence of the organization. Individuals and organizations can create a catalytic effect and design innovative responses. The whole positive dynamics has an organization renewal impact and there is a continuous flow of energy transforming into waves which adds to the wholesomeness of the organization.

Figure 5 presents the dynamic model of the organization.

Figure - 5 DYNAMIC MODEL OF ORGANIZATION

Individual

Regeneration

Revitalisation

**Consultative &
new horizons**

**New
Action**

**New direction
& Comments
building**

Collectivity

**Dialogue &
new choices**

**Renewal
&
Enlivening of
organizations**

**Negotia-
tion**

Traditions

Systems

Reenergisation

The interplay , pull and strengths of the functional processes in any organization leading to many forms and finally contributing to organizational renewal and enlivening.

As can be seen from the figure the individual, system and collectivity contribute to the revitalisation, regeneration and reenergisation through the processes of dialogue negotiation and consensus and consultative processes. Organizations then make new choices, new traditions are built, new directions emerge and there are new horizons to aspire for Overall the organization experiences renewal and is enlivened.

Organization as living entities have simultaneously healthy and functional processes. Both keep pace with each other. Moreover, the organizations need to be sensitive to these processes so that the healthy processes can be strengthened and the vibrancy of the organization is maintained. Similarly, the organization needs to be sensitive to the dysfunctional processes so that they may be contained and their impact remains limited.

The forces of tomorrows external environment are going to overwhelm Indian organizations. The energy of the cross currents and pulls and pushes of contradictory forces are going to attempt to tear the Indian organizations apart. However, the resilience of the Indian spirit can be fostered through a critical but hard reality appraisal of the internal dynamics of the organization vested in the human resources and potentials. Organizations and the CEOs would have to squarely identify the critical issues of managers and organizations. In order to initiate such processes the organizations need to ask a series of questions to itself and to its collectivity.

1. Who will give shape to the culture of the organization of tomorrow?
2. Who will provide the role of leadership? The structural hierarchy or the dreams and vision of the individual as well as collective leadership?
3. Who will provide direction to the organization. The one with power and controls or the one with clarity and understanding of the market place?
4. How will the organization performing once be measured. In terms of productivity profit or whether the people participate and experience pride of belonging or both?
5. What is the destination of the organization? Is there clarity of vision and direction and who would look beyond the horizon, have courage of convictions and is willing to walk into the unknown.

6. What is the emerging identity and image of the organization? Is the organization society responsive? Are the leaders of the organization willing to replenish the organization, its employees and the society.

7. Are the individuals bringing their wholesomeness to their ife space and within that to the organization?

The answers to these questions and initiating the processes of renewal and unfolding some new beginning are essential for any organization to initiate. The processes to be initiated reflect the following:

1. Appraise the strengths and limitations of the organization.

2. Differentiate the performers and non performers and identify star performers.

3. Evaluate the star performers and the mediocre. Reward the star performers and invest in people who are mediocre.

4. Realistic assessment of people potentials so that creativity and innovativeness may flourish.

5. Design organization structures of small sub systems which may flourish and grow simultaneously in the larger context of the organization.

6. Give emphasis on quality of life space of each employee so that he/she may live and work with dignity and respect of self, others and the system.

7. Provide space so that employees may wholesomely integrate family and work systems where they find freedom to play multiple roles in multiple systems.

8. An individual and an organization can own up its own uniqueness of existence and identify and give meanings to the process of living and enlivening of the self, others and the system.

9. When this internal criticality happens at the individual, systemic, collective organizational and institutional level then a momentous energy will be released which can then be channelised with depth of wisdom, management of the competitive and complex business environment, create spaces to grow, and a rhythm of relatedness of self with others and the system.

In organization in India with their history of growth, leadership profiles, and people in the context of economic transformation reflect a dynamic process of organizational

phenomenon. Indian organization confronted with chaos are striving to create order, stability and regularity. In this search for regularity new chaos gets inevitably created. In any system order and disorder and regularity and chaos are simultaneous existing processes. The interplay of these elements individually and amongst themselves their appearance and evolution in time of organization's growth and the leaderships responses to them will determine whether organizations will anchor themselves and move forward in the rough seas of competition and complex terrains or get buffeted by the storms and flounder. These are and will be the times when Indian organizations with their internal dynamics will respond with creativity and weave new patterns of work culture. New responses from within the chaotic context gives enormous potentials and possibilities of generation of new patterns. As such, there are all the possibilities for Indian organizations to initiate new forms, structures and processes for new systems and configure them in a dynamic energy rhythm and internal resonance.

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