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Organisational Change

Organisational change is the process in which organizations move from their present state to an improved state.



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Importance of change:- Change is inevitable. Organizations are compared with human beings. Individuals have two types of changes. One, they try to adjust and adopt to the changes occurring in the external environment such as offer of new job, sickness, competition or loss of property. Second, even externally nothing changes, still individuals keep changing (adulthood, family responsibilities, oldage etc.).



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Organizations change because both of situational fluctuations in the environment demands as well as because it is in their nature to grow and develop.

Example:- Nokia started in 1865, cable wiring in the 1920s.

In the 1980s, invested in mobile communication.



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Reasons for organisational change:-

External reasons:-

- (a) Government policies.**
- (b) Competition**
- © Technological advances**
- (d) Change in people requirements**
- (e) Globalisation**
- (g) Scarcity of resources**



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Internal reasons-

- (a) Change in leadership**
- (b) Introducing new technology**
- © Organisational life cycles**
- (d) For meeting crises**
- (e) The domino effect**