

Organizational Development and Human Resource Development in India: A Historical Perspective¹

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Introduction and Overview

Organizational Development (OD) in India started in early sixties with a group of people from educational institutions like the two Indian Institutes of Management, SIET Institute Hyderabad, Larsen & Toubro (L&T), State Bank of India and such other corporations sending their staff to National Training Laboratories (NTL). The Indian Society for Applied Behavioural Science was formed as an Indian NTL by many people associated with it like late Udai Pareek, Dharni Sinha, Suresh Srivastava, Nitish De, Francis Meninzes etc. Among the founders are living persons like Paul Siromani, Fr. E. McGrath, Prof. Ishwar Dayal and Somnath Chattopadhyay. OD was very popular until eighties. The last two decades can be considered as HRD decades and OD has been treated as a part of the role of HRD Professionals. However as a large number of Human Resource Development (HRD) professionals have not acquired competencies as OD facilitators, OD has remained dormant. In the NGO sector, Self-renewal replaced OD and the academy of HRD popularised the concept of Self renewal among the not for profit organizations. About a decade ago Roland Sullivan facilitated a whole system change workshop with about a hundred NGOs participating in Hyderabad. Later Marvin Weisboard along with Sandra Janoff visited India and trained a group of trainers in Future Search approach. Also the Large Scale Interactive Process (LSIP) got popularised with Eicher consultancy and the Academy of HRD. A few organizations started using the same in recent times.

This paper describes the HRD and OD interventions currently used by the practitioners and traces the history

of OD and HRD in India. The paper concludes with some lessons and trends for future.

OD and HRD Interventions: Current Status in India

In the Indian corporate sector the following OD interventions have been very popularly used in the seventies and eighties and many of them continue to be considered effective:

Sensitivity Training and team building exercises develop and improve sensitivity to each others' feelings and interpersonal relations and built team work and effective teams. However, it became less popular in later years with virtual teams taking over and business orientation taking up a dominant role than interpersonal relations and individual sensitivity to feelings.

Survey feedback in which organizational climate and employee satisfaction surveys are conducted and used to improve organizational effectiveness. In the recent times, they are replaced by employee engagement surveys, great place to work, happiness at work and employee commitment surveys. These surveys are used to bench mark and then enhance employee engagement and commitment at work. The interventions lead to re-examination of select systems and processes in the company including the personnel policies, work atmosphere, leadership styles, etc. For a description of this intervention see the chapter by T V Rao in the OD Book by Ramnarayan and Rao (Sage, 2011).

Achievement Motivation development was used to promote entrepreneurial competencies in India. This was called as Achievement Motivation training (AMT) and continues to be used selectively. Tata Chemicals is a good example of using this tool along with many other interventions to make managers more achievement driven. For the NGOs, a combination of AMT with

¹ Extracts from the Keynote speech presented by Dr. T.V. Rao at the 6th AODN held in Nanjing, China on October 23, 2011.

Extension Motivation training has been found to be more appropriate intervention for rejuvenation. The chapter in the book by Ramnarayan and Rao describe the Tata Chemicals experience. In late seventies and early eighties Udai Pareek and T V Rao worked as UNIDOP Consultants with MIDF Malaysia, Mara Institute of Technology and various other agencies and developed in-house competencies to give AMT and develop entrepreneurship. They also participated in developing National Entrepreneurial Development Association (NERDA). With the Prime Minister's office taking the Entrepreneurship development very seriously and deploying the PM's Secretariat to facilitate this, NERDA became defunct but the seeds were sown by Achievement Motivation training and many banks and educational institutions participated in this.

360 Degree Feedback is being used extensively in India as a leadership development tool. The author has used this for Birla group in Indonesia, Thailand, Philippines, and Egypt and for Chenrai group in Nigeria etc. In this methodology, 360 degree Feedback profiles are prepared and given to each individual in a 3 to 4 day workshop where they learn about the leadership roles they should perform, get insights about how well they are performing them and also get an opportunity to enhance their styles, delegation and leadership qualities. They read books, stories of great leaders from their country as role models and prepare an action plan to improve their managerial and leadership effectiveness. In the public sector, Bharat Electronics and such other corporations have taken the lead. The action plans are shared with the top management and also the profiles of the top management team coming out of the 360 degree feedback are issued to make other development interventions.

Role based interventions where the managers are given insights to understand how they spent their time. Analyse the way they are performing various roles like articulating vision, developing strategies, securing information for business development, managing their customers. Maintaining relationships and managing them well for growth and development etc. are extensively being used. The role based interventions in seventies and eighties focused on role stress, role effectiveness, role efficacy, role negotiations and aimed

at making roles more effective. Role effectiveness workshops were used.

Leadership styles and their assessment using psychometric tools and building feedback based interventions. Blake and Mouton's employee-centered leadership style versus task-centered style based tools were used and participative and empowering styles were developed. The concept of Nurturing-task leader became very popular. Dr. T V Rao was invited by David McClelland of Harvard University to adopt a Social Maturity scale. He and Abigail Stewart (now at Michigan University) were developing Daniel Goleman's Emotional Intelligence Scale at that time (Daniel Goleman's Emotional Intelligence and Spencer's competencies at work and the work by McBer later are based on this work by McClelland). Dr Rao developed a leadership styles tool applicable for the Asian region where he discovered that paternalistic or benevolent style, critical style and developmental style were considered the most popular styles. Dr Mahathir's style and success in building Malaysia is a good example of how successfully a combination of the three styles can be used. Many Indian corporate are using this tool to identify and develop right combination of these styles. These are done through leadership development workshops which use 360 degree feedback as an intervention.

Other HRD Interventions: With mergers and acquisitions constantly going on in the country and the outside, cultural integration interventions through various HR systems like vision sharing, value clarification, LSIP, performance management systems, role clarity exercises, organizational restructuring and de-layering are used quite frequently. Competency mapping and developing competency models to prepare organizations for the future is also picking up in the country. Performance Management (traditionally called as performance appraisal systems) is the most used and misused HRD subsystem in India. While performance planning through Key Performance Areas (KPA's) or Key Result Areas (KRAs) is well accepted, inability to differentiate work and KPA's or KPA's at different levels and the consequent issues in rewarding individuals remain a major concern. Use of normal curve in rewarding and

recognising people is a major issue of debate. Performance coaching and feedback training continue to be rigorous with a great gap between what is agreed in seminars and what is practiced by line managers. Most line managers find it difficult to give feedback to their juniors though they agree intellectually that it is their duty to give periodic feedback. Relationships seem to play a very critical role in the success or failure of HR interventions that compel individuals to compare and assess. As a result the assessment centres most popularly called as ADCs (Assessment and development centres) following the models of those initiated by Byham and others at AT&T in sixties with outside specialists to assess the competencies of employees particularly at senior levels has gained considerable momentum. Very few HRD Managers however are trained as process specialists and undertake OD interventions. They seek outside help for facilitation. Succession planning is a major issue. The need for heterogeneous HRD polices to take care of the varying needs and preferences of gen X and gen Y is gaining momentum.

Whole System Change with Self renewal teams and process sensitivity of teams is another intervention that has been successfully practiced by a number of corporations. This starts usually with the diagnostic workshop where the entire systems issues are diagnosed with the help of a facilitator. The issues then get grouped into several subsystem related issues. Teams get appointed to go into diagnosis of the existing situation and, find desired situation and work towards movement to the same. The diagnostic results and action plans are presented and discussed all through the organization and work groups or teams get appointed to implement and monitor. Periodical reviews are planned and change monitored until the next whole system diagnosis takes place around two to three years after the initial diagnosis. Organizations like the L&T, ECC and SAMTEL have used this effectively. Several organizations, particularly those interested in whole system change, use this selectively.

LSIP and such other whole system change based interventions have also been used by a few enlightened organizations. (see the case study by Anil Sachdeva in

the book by Ramnarayan and Rao, Sage 2011).

HRD Audit: HRD is defined in India as continuous competency building of individuals, teams, inter-teams and the organizational capabilities to do their jobs well and enjoy the same. The way HRD in India is defined and promoted in the last ten years has a lot in common with OD of the past. However most HR people have not understood the same as Personnel management and training and development professionals also called themselves as HR professionals. This has diluted the concept of HRD. To redraw the attention of the top management and HRD professionals to this individual, team and organization development role of HRD, the concept of HRD Audit has come into existence. The first book across the world on HRD Audit was written by Prof. T V Rao and published in 1999. HRD Audit was necessitated because it was felt that most HR people don't do their jobs well. Sometimes even CEOs don't know how to use the HRD professionals. HRD is the business of every employee. They need to recognise that they are responsible for their development. HRD departments should perform a developmental role and top management should focus on culture building and intellectual capital formation. HRD audit aims at doing a systemic evaluation of HRD systems, strategies, HRD competencies (of line managers, HR department and the top management), organizational culture, values, talent management and study its impact to make recommendations for enhancing HRD's impact in achieving organizational goals and vision. HRD audit as an OD intervention has been successfully used in India. (see the chapter on HRD Audit in the OD book by Roland and team)

OD and HRD in India: A Historical Account

The foundation for Organization Development, popularly known as OD has been laid in early part of the last century by Kurt Lewin. OD as a field of study had its roots in Kurt Lewin's work on change. It started as Action Research for change in the larger society and with societal problems in organizational context; it emerged as a field of study for initiating, implementing and managing change in a planned way. Today OD has come to stand out to represent a body of knowledge

and a field of study with focus on change in a planned way. This paper deals with various facets of this field of OD as it is understood and practiced in India.

In mid-fifties the concept of planned change using behavioral science knowledge and participative methods was brought into India by a group of people working as peace core volunteers. The first known series of experiments were conducted by Rolf Lynton in Mysore with a group of youth volunteers which was published as "The Aloka Experience". In early sixties a number of experts from the Indian Institutes of Management, at Ahmedabad and Calcutta, TMTTC Pune and the SIET Institute Hyderabad got trained at the Kurt Lewin Inspired National Training Laboratories, Bethel as T-Group or L-Group facilitators.

These included Udai Pareek, Dharni Sinha, Ishwar Dayal, Somnath Chattopadhyay, Francis Menizes, Nitish De, Suresh Srivastava, Manohar Nadkarni, Tarun Sheth, Paul Siromani, and Fr. McGrath, D F Pereira etc. who initiated the T-Group training and laid foundation for OD. For a long time OD was limited to T-Group training and team building workshops. Besides the use of this methodology in business schools and use of its allied methodologies like Achievement Motivation Training in business schools, corporate houses like the Tata's, and public sector undertakings like the State Bank of India, Bharat Heavy Electricals Limited (BHEL) and Coal India used and promoted this methodology. Slowly by seventies OD extended itself to use different interventions like the survey feedback, organizational structuring, process consultation, psychometric tool based assessments, self renewal workshops, role based interventions and the like. With the starting of the Indian Society of Applied Behavioral Sciences (ISABS) as a professional body by the above mentioned Organizational Behavior experts the skill base required to promote OD got rooted.

Somnath Chattopadhyay fondly remembers "...a meeting that -- Abad Ahmed, Somnath Chattopadhyay, Ishwar Dayal, Francis Menezes and Suresh Srivastava had at the Conference Centre of NTL (1966) to discuss about the foundation of a society in India on the pattern of NTL. The dream that we envisioned came to fruition

in the shape of Indian Society for Applied Behavioural Science (ISABS) in 1971....." (Memoirs from ISABS)

According to late Dr. Dharni Sinha: "...ISABS we established in 1971, almost 15 years after the application of behavioural science in India (Lynton 1960)During the course of Conference entitled "Developments in Experience Based Learning" held at Pune from December 05 to 06, 1971 lead to the emergence of ISABS. The Conference was attended by 20 professionals -- Dharni P.Sinha, Fred Massarik, KK Anand, K.J.Christopher, Margaret Roderick, E.H.McGrath, Jim Filella, Alan Batchelor, Donald Bilby, S.N. Pandey, Pulin Garg, S.C.Daftadar, Paul Siromoni, Francis A. Menezes and Dilip K. Lahiri. The members shared their experience of behavioural science experiments in educational and industrial systems in the country.....The founder members present decided to include colleagues who were not present in the conference but had made distinguished contribution in the field like Nitish R. De, Udai Pareek, Ishwar Dayal, Abad Ahmad and Somnath Chattopadhyay. The founder members of ISABS had one thing in common i.e. they all had gone through T-Group ("T" for Training) experience in the United States of America or in India....."

The skill base maintained its distinct identity as T-Group training or largely known through ISABS membership (ISISD or Sumedhas or other groups that broke away from ISABS to focus on identity issues). With the emergence of Human Resource Development concepts and departments the focus shifted to HRD and though OD continued its work silently was not a predominantly a publicized field.

In the year 1974, Udai Pareek and the author of this paper were invited to review the performance appraisal system in a large engineering company Larsen and Toubro (L&T) Limited. Their interviews with large section of managers indicated the need for facilitation of strong learning and development orientation through systems like performance and potential appraisals. The two professors conceptualized a Human Resources Development Department that included OD as a part of its functions. L&T promptly established a new HRD department with the responsibility of facilitating

learning among individuals, dyads, teams and the entire organization. A well known OD specialist Dr Dennyson Pereira who was associated with NTL and has already been conducting OD interventions was appointed to head the HRD Department. He silently carried out various change interventions within L&T. Soon a large banking conglomerate the State Bank of India also established a HRD Department under the guidance of the two professors. The Indian Institute of Management where the two professors worked started a series of courses on HRD and trained a large number of HRD facilitators. ISBS also conducted HRD Facilitators' labs to promote process orientation among the HRD managers. By 1980s the traditional personnel function as well as the Training and Development function got re-titled as HRD. Many of them without process orientation have re-titled themselves as HR managers or HRD managers thus diluting the concept of HRD originally formulated at L&T. The OD part of HRD was neglected due to this lack of process orientation and skills. To emphasize the concept of "Learning" and "Development" as the core of HRD, a series of seminars were held both by the IIMA and XLRI another Management school in the Eastern Part of India where L&T has offered a Chair Professorship and established a center for HRD. A National HRD Network was established to further promote HRD in its true sense among Indian organizations. The body grew and remained focused on learning and development. However two other professional bodies called the National Institute of Personnel Management (NIPM) and the Indian Society for training and Development (ISTD) a parallel body and off shoot of the ASTD also started focusing on HRD. In the process, the focus in eighties remained on the role of HRD departments and their subsystems like Performance appraisals, rewards, potential appraisals, feedback and coaching became the focal points and OD as a function of HRD managers got neglected. Details of the evolution of HRD in India are well documented in the book on Future of HRD by the author (Macmillan India, Future of HRD by T. V. Rao, 2003) and also in recent article published in HRD International.

Change is always necessary and without change neither

people nor organizations exist. Planning and managing change is an inevitable part of life. By 1990's with rapid changes taking place in the Indian Society particularly in the corporate world, OD returned back to focus through its different interventions.

Competition, survival, growth, expansions, mergers and acquisitions, sustainability, continuous learning, quality, standards, employee engagement, retention, growth etc. became the focal points in the last two decades. OD interventions were used to promote change, absorb change as well as to get organizations to change fast and get into action. Quality circles, shop floor councils, employee engagement surveys, self-renewal workshops, HRD audit, large scale, interactive process, interventions, whole system under one roof-styled interventions, Future search have gained momentum. T-Group based interventions continued in different ways absorbing Transactional Analysis (TA), Self - renewal process consultation, Seven Habits, Role negotiation etc. continued.

Today when we take stock, we realize that the body of knowledge in OD has grown. OD has not grown as a field in a planned way but has grown as a set of discrete interventions to serve largely the immediate need for change management of organizations in a variety of settings. Studying these interventions together and putting them at one place as a body of knowledge under the field OD is attempted by the recent book on OD by Ramnarayan and Rao. The chapters outlined in this book are presented in Appendix 1 to give an idea of the nature of interventions and concerns in India.

This book by Ramnarayan and Rao (2011) attempts to put these variety of interventions based on Behavioral Science Knowledge (consciously or unconsciously or in a planned way or less planned way, for short term or long term change focusing on people, or roles, or teams or other subsystems of the organization. This book is divided into 3 parts. The first part lays ground for the basis of OD and exposes its theoretical foundations as well as the variety of interventions. The second part presents a few case studies and learning resources for use by OD practitioners. The third part concludes with a series of interviews with OD practitioners reflecting

about their practice of OD in organizations. Clubbed together our intention is to cater to a student of OD and learning about the theory of OD as applied in this part of the world, as well as to assist with a few select tools.

Postscript:

In this keynote speech, I observed that HRD is a function while OD is a process and a value driven process. I have also traced the existence of OD values in India in the term of community development programs from early sixties where extension agents in agriculture, health and education were expected to build knowledge among farmers and others through a process of participation and empowerment. It is only in early sixties as corporations emerged, that OD came into existence and got imported from the US as it suited the already existing Indian values of participation and empowerment. We tried to make HRD as systems driven function that could transform an organization into a learning organization by focusing on building competencies, commitment and culture (values). During the discussions Fred Nader former President of NTL observed that HR is systems-driven and due to the nature of the controls it has to exercise on people it becomes challenging to retain humanness in HR. I agreed with this observation and further added that those HRD managers that have been successful in India are process driven managers that have been grounded in OD theory and principles from some source or the other (including the traditional Indian values and processes). I also suggested to the participants to appreciate and distinguish between two types of HRD: Type 1 is Human resources Development focusing on competency building, commitment building and culture building as envisaged by Udai Pareek and T V Rao when they designed the first ever HRD Department or Function in 1975; the second HRD is Human resources department which is a resultant of departments and training departments renaming themselves as HR departments and incorporating development into them. I also observed that this resulted

in the dilution of original HRD (development and learning) and became control driven. The national HRD Network and the Academy of HRD started to maintain this focus have only partly succeeded so far as control freak HRD departments have become an ocean in vast India. Barring a few institutions like XLRI and TISS, the process focus got limited and most other institutions including the schools of social work that supply thousands of HRD managers to the industry in India are more department driven than development driven. The real HRD as envisaged by Pareek and Rao is limited to a small percentage of HRD Managers. In my presentation I have drawn the following lessons from the Indian HRD and OD experience:

- Do not reduce OD to a function
- OD should be research based, value based and process driven (participation, empowerment etc.)
- Keep HRD and OD separate
- Some may be trained as HROD specialists or as OD specialists
- You could use HRD as an OD intervention
- You could use OD as a part of HRD function but it should be manned by trained process specialists and should not have tenure jobs
- OD Facilitator should not be a tenure employee and should be on contract as tenure may tempt the person to undertake interventions that waste time and aim at keeping the job than meet organizational needs.

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APPENDIX

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