

THE 6 LEVELS OF ORGANISATIONAL DEVELOPMENT

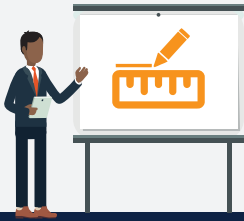


FORMATION

1

Distinctive features of the **formation** level

a Few formal goals or measurements



b Little formal planning system / strategy – most strategic decisions made by owner(s)



c Little structure or formal management



d No formal responsibilities for managers or employees



e No performance and efficiency indicators or regulatory processes



f Lack of organizational and individual development strategies



FORMALISATION

2

The distinctive features of the **formalisation** level

a Growth of formalized policies, procedures, structures and systems

c More formalised structure and management

e The formalization and delineation of tasks / roles

Increased volume of management functions (control, coordination and meetings) – increase of number of managers



b The development of normative and regulatory processes

d Information systems developed to collect and analyse performance and efficiency data

f Bureaucratic administrative apparatus increases

h Barriers force employees and managers to defend local goals and indicators which often conflict with those of the organization's

The distinctive features of the **integration** level**a** Greater integration of

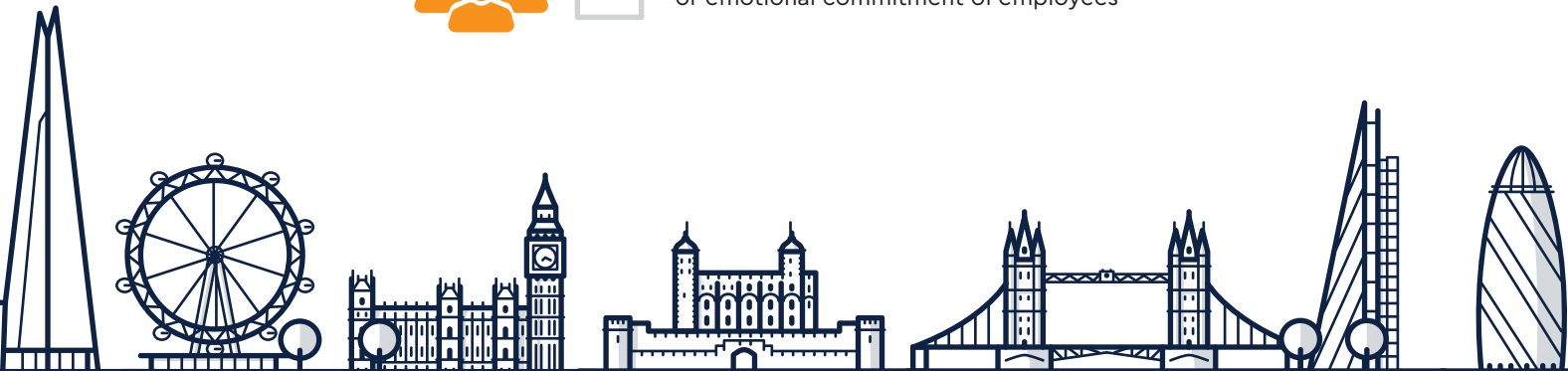
- a Management and quality control
- b Environmental awareness (client needs / external forces)
- c Integration of logistics functions which leads to greater centralised control



b Centralised management / control increases expenses
decreases competitiveness



c Competitiveness and profitability reduced until the integrations start to allow for economies of scale.

The distinctive features of the **expansion** level

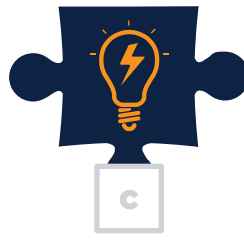
The distinctive features of the **coordination** level



Bureaucratic management



Lack of motivation systems



People can't work in ways which increase emotional and intellectual engagement



People feel like 'a number'



Organisational structure and functional responsibility prevents further development because of slow and overly bureaucratic decision-making

SELF-ORGANISATION AND SELF-DEVELOPMENT

The distinctive features of the self-organisation and **self-development** level



A reduction in central control and management



Roles not jobs. One person can fulfil a series of roles



Roles defined by the work teams which change as requirements change



Self-organising circles or matrix teams



Each circle/team is assigned clear areas of accountability and a clear purpose



A structured approach to creating change, flexibility and giving voice



Processes for aligning teams and circles around operational needs and for collective and integrated work



Blanket authority to take action to perform the work required



Processes for aligning teams and circles around operational needs and for collective and integrated work

EACH LEVEL NEEDS A DIFFERENT RESPONSE FROM THE LEADERSHIP, MANAGEMENT, HR, OD, L&D, COACHES AND CONSULTANTS

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Reference

Rudenko, A. A., Antipov, D. V., & Iskoskov, M. O. (2016). Ensuring Business Continuity of A Machine Building Enterprise Through Organisation Development of Manufacturing System. *International Journal of Applied Engineering Research*, 11(5), 3211-3215.