

# Organisational development strategy

Business, Strategy



Introduction Change is a constant thing and this transpires within world in many ways. As the world becomes more complicated and increasingly intertwined, changes ostensibly far away affect us. Thus, change may sometimes appear to occur frequently and arbitrarily. We are gradually becoming cognizant of how connected we are to one another and to our world. Organizations must withal be cognizant of their holistic nature and of the ways their members affect one another.

The incredible amount of change has coerced individuals and organizations to visually perceive " the immensely colossal picture" and to be cognizant of how events affect them and vice versa. Organization development is a new term which means a conceptual, organization-wide effort to increment an organization's efficacy and viability. Warren Bennis has referred to OD as a replication to transmute, an intricate educational strategy intended to transmute the notions, attitudes, values, and structure of an organization so that it can better habituate to new technologies, markets, challenges, and the dizzying rate of change itself.

OD is neither " anything done to better an organization" nor is it " the training function of the organization"; it is a particular kind of change process designed to establish a particular kind of end result. OD can involve interventions in the organization's " processes," utilizing behavioural science knowledge organizational reflection, system amelioration, orchestrating and self-analysis. International Business Machines Corporation (IBM), incorporated on June 16, 1911, is an information technology (IT) company.

IBM operates in five segments: Global Technology Services (GTS), Global Business Services (GBS), Software, Systems and Technology and Global Financing. GTS primarily provides IT infrastructure services and business process services. GBS provides professional services and application management services. Software consists primarily of middleware and operating systems software. Systems and Technology provides clients with business solutions requiring advanced computing power and storage capabilities. Global Financing invests in financing assets, leverages with debt and manages the associated risks.

In May 2012, the Company acquired Varicent Software Incorporated. In May 2012, the Company acquired Vivisimo. In June 2012, the Company acquired Tealeaf Technology, Inc. On August 1, 2012, Toshiba Tec Corporation acquired the retail store solution business from IBM. In September 2012, it acquired Butterfly Software Ltd. In October 2012, it acquired Texas Memory Systems. In October 2012, the Company announced the opening of three new branch offices in ASEAN, which are located in the cities of Ipoh and Malacca in Malaysia and Bandung in Indonesia, and announced the opening of three new branches across Brazil.

In December 2012, the Company acquired Kenexa. In February 2013, it completed the acquisition of StoredIQ. In April 2011, the Company acquired TRIRIGA, Inc. In October 2011, the Company acquired i2. In October 2011, the Company acquired Algorithmics. In October 2011, it acquired Q1 Labs Inc. In November 2011, the Company opened in Romania its European site for developing and testing IBM switch and networking hardware and software. In December 2011, the Company completed the acquisition of

Curam Software Ltd. In January 9, 2012, the Company acquired Platform Computing. In January 11, 2012, the Company acquired Green Hat.

In February 1, 2012, the Company acquired Emptoris Inc. In February 15, 2012, the Company acquired DemandTec Inc. In February 10, 2012, the Company completed the acquisition of Worklight. In March 2012, the Company opened a new branch office in Ludhiana, Punjab, India. (<http://www.reuters.com/finance/stocks/companyProfile?symbol=IBM>) In 1992-1993, IBM began to lose money and struggled to meet payroll for the over 300,000 employees because of the changing market landscape. Louis Gerstner, the recently appointed CEO, saved the company by changing IBM's culture and business model.

As we know now one of IBM's core businesses is consulting, which had not been a key component of the legacy model. It seemed like IBM was facing a similar, if perhaps more dire, situation to Merrill Lynch in the mid 2000's. (<http://professorjickblog.com/post/4194417315/organizational-change-at-ibm>) IBM helped pioneer information technology over the years and it stands today at the forefront of a worldwide industry that is revolutionizing the way in which enterprises, organizations and people operate and thrive. The pace of change in that industry, of course, is accelerating, and its scope and impact are widening.

In these pages, you can trace that change from the earliest antecedents of IBM, to the most recent developments. You can scan the entire IBM continuum from the 19th century to the 21st or pinpoint -- year-by-year or decade-by-decade -- the key events that have led to the IBM of today. ([http://www-03.ibm.com/ibm/history/history/history\\_intro.html](http://www-03.ibm.com/ibm/history/history/history_intro.html)) IBM has <https://assignbuster.com/organisational-development-strategy/>

been in the industry for a hundred years already but this paper will focus on the organizational changes and developments with the company for the past 20 years. Brief History

In 1911 IBM was first incorporated in New York as the Computing-Tabulating-Recording Company. The company's history, however, can be traced back to 1890, when the United States was receiving waves of immigrants. To meet the needs of measuring population the US Census Bureau sponsored a contest to find the most efficient means of tabulating census data. The contest was won by German immigrant and Census Bureau statistician, Herman Hollerith. Hollerith formed the Punch Card Tabulating Machine Co. in 1896. In 1911 Hollerith's company merged with Computing Scale Co. of America and International Time Recording Co. to form Computing-Tabulating-Recording Co. The company manufactured and sold products ranging from commercial scales and industrial time recorder to meat and cheese slicers, tabulators and punch cards. In the beginning the company operated in New York City only. Within a short period of time, however, it quickly expanded its office and plants to other parts of New York State, Washington, DC, Ohio, Michigan and Toronto, Canada. In 1914 Thomas J. Watson joined the company and became the president of the company within eleven months.

Under his leadership the company continued to expand its products and services. At that time the company focused on producing large scales custom built tabulating solutions for businesses. Within ten years Watson had expanded the company's business operations to Europe, South America, Asia and Australia and in 1924 the company was renamed International

Business Machines Corporation (IBM) to reflect the firm's worldwide expansion IBM refers to the decades between 1939 and 1963 as the 'Era of Innovation'. During this period the company's product line expanded significantly. In 1891 IBM introduced personal computers (PCs) for small businesses, schools and homes. For first time, IBM collaborated with Intel and Microsoft to produce personal computers. In 1985 IBM introduced local area networks (LAN), which permitted PC users to exchange information and share printers and files within a building or complex. IBM established a foundation for network computing and numerous applications of PCs. In 1993 Louis V. Gerstner, Jr, a former executive at American Express, Nabisco and McKinsey & Co. joined IBM as CEO. Gerstner emphasized the need to provide integrated solutions for the company's customers. He also decided to keep company, together instead of splitting it into separate independent companies. Today IBM's strength lies in its combined expertise in solutions, services, products and technologies. <http://historyofbusiness.blogspot.com/2009/04/brief-history-of-ibm.html> How IBM does their Organizational Development IBM has launched one of its companies fixating on business strategies and development.

So therefore, they will be one of the good companies that we can optically canvass and study how they remain successful over the years. IBM Global Business Services offers one of the largest strategy & transmute practices in the world, their strategy & transmute practice amalgamates business strategy with technology insight to help organizations develop, align and implement their business vision across four strategic dimensions - business

strategy, operating strategy, organization change strategy and technology strategy - to drive innovation and magnification.

This is withal one of the reasons why IBM is capable of transmuting quickly and successfully. Instead of going with the latest trends, they mold, develop and lead them. By combining the proven talent with the deep research, scale and scope of IBM, they have built a unique approach to industry solution development. This approach allows them to address the opportunities that matter most and deliver business outcomes with faster time-to-value.

The IBM strategy and transformation practice helps expand the horizon possibilities while implementing with rigor. Its three areas of competence are aligned to drive opportunity and execute across the value chain. The insight provided by innovation and growth services allows setting an overall direction for the organization by developing sustainable business, customer and technology strategies. Their capabilities within the operations and finance area help optimize how the organization functions to drive higher performance.

And finally, with organization and people expertise, they can develop and lead the talented individuals who create value and competitive advantage. With over 100 years of business and technology experience, IBM has demonstrated its ability to drive performance through continuous transformation of their business model, operations, technology and workforce. Their strategy and transformation practice draws upon these experiences as well as extensive IBM assets and best practices.

With consultants in over 170 countries and deep expertise in 17 industries, IBM has proven the effectiveness and value of its approach. IBM thought leadership and research - acknowledged by analysts as among the best in the industry - are based on market-driven intelligence, in-depth interviews, and our own transformation story. IBM has a long track record of success in helping companies chart a course for business transformation.

This commences with strategic orchestrating that can envision a broad range of future scenarios. Their consultants fixate on results, through the development of business models and executable strategies that foster innovation, sustainable magnification and profitability. They help companies and organizations build on key strategic drivers such as new product and accommodation offerings, dynamic market opportunities, new channels and greater customer insight to create greater competitiveness.

Our team of strategists provides a clear roadmap for differentiation predicated on business model innovation, implemented through efficient processes and operations. Definitely by doing this, they have also implemented these strategies within their organization and have proven to have good results. (<ftp://public.dhe.ibm.com/common/ssi/ecm/en/gbb03089usen/GBB03089USEN.PDF>) The processes and strategies that they have developed and proved over the years are also the factors why their organization is very stable.

According to their website, below are some of the services that they offer and most likely apply within their organization as well. IBM's Organization and Workforce Transformation offering assists clients with two transformational imperatives: firstly, it enables them to transform their <https://assignbuster.com/organisational-development-strategy/>



workforce into the productive, innovative and high-performance force necessary to survive and thrive; secondly it manages the people elements in any transformation being undertaken (process optimization, business model transformation, etc. Our services include:

- \* Learning transformation: Addresses the need to inspire and equip people in business to improve performance, skills and knowledge for the following results: aligning learning initiatives with organizational and business goals, developing learning strategies, and harnessing the power of technology to enhance learning and performance.
- Talent management: Design strategies and solutions to align talent management with business priorities, covering talent sourcing, performance, succession management and rewards and recognition. This solution includes process design, systems implementation, change management and talent analytics.
- \* Social business: Drive innovation and growth by connecting people to people, people to data and information, and people to personal and institutional knowledge inside an organization and across the larger organizational ecosystem.
- Workforce analytics and optimization: This offering leverages analytics to design evidence-based strategies and practices for optimizing workforce performance and productivity to develop information strategies, and a workforce measurement framework, which can help identify key metrics and align with employee goals.
- Organization design: Organization design enables enterprises to align their organization with new or existing business models and strategies to maximize effectiveness by clarifying work responsibilities and redefining jobs and their relationships to one another (structure), governance mechanisms, and other organizational elements to drive new

behavior supporting strategic change and business results. \* Change management: Change management is a proactive and systematic approach to deal with change from the perspective of an organization, a group, or at the individual level. Change management helps ensure that people impacted by the changes (technology) understand, accept and commit to changes; thereby mitigating risks and achieving long term benefits faster. (<http://www-935.ibm.com/services/us/gbs/strategy/talent-and-workforce-management.html>) During the course of the changes that took place in their organization, there were challenges encountered.

Based on the researches conducted, below are the most significant challenges that took place when implementing their change projects. 1. Changing mindsets and attitudes 2. Corporate culture 3. Complexity is underestimated 4. Shortage of resources 5. Lack of commitment of higher management 6. Lack of change know how 7. Lack of transparency because of missing or 8. wrong information 9. Lack of motivation of involved employees 10. Change of process 11. Change of IT systems 12. Technology barriers

And based on the challenges mentioned above, they were able to come up with factors that contributed to the successful change. It is normal to have resistance to different types of change especially having a big organization like IBM. Below are some factors that contributed to the effectiveness of the different changes in their organization: 1. Top management sponsorship 2. Employee involvement 3. Honest and timely communication 4. Corporate culture that motivates and promotes change 5. Change agents (pioneers of change) 6. Change supported by culture . Efficient training programs 8.

Adjustment of performance measures 9. Efficient organization structure 10. Monetary and non-monetary incentives <ftp://public.dhe.ibm.com/common/ssi/ecm/en/gbe03100usen/GBE03100USEN.PDF> The most fruitful success strategy is to begin with leadership tools, including a vision or story of the future, put the change in place with management tools, such as role definitions, measurement and control systems, and use the pure power tools of coercion and punishments as a last resort, when all else fails.

The purpose of business strategy is to exploit the capabilities of the company to gain and sustain competitive advantage in accommodating the desiderata of customers in a chosen rialto. An effective business strategy will provide good answers to questions on business scope, customers' needs, how the enterprise will exploit its advantages, and on how competitive advantage will be achieved. It will withal describe the main actions compulsory to implement the strategy and the reasons why the vicissitudes are compulsory.

Summary All in all the reason for IBM Global Business Services' success is because they have methods and strategies that have been tried and tested over the years that they have been in this industry. Also one of the factors for success is having open minded members of the organization who are always open and welcome to change. Somehow, the company also has its own ways to make the employees and members of the organization understand and help them to adapt through the course of these changes.

Resistance to change is normal but with proper guidance and support from the whole management team, members of the organization will feel at ease and motivated, hence, will embrace the change. Today, businesses must <https://assignbuster.com/organisational-development-strategy/>

bring more innovative products and accommodations to market, more quickly than ever before. IBM makes utilization of best practices to help companies become more rigorous in their approach to development and lifecycle issues - not only to ameliorate speed and cost, but withal to enable the perpetual amelioration of products