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## THESIS

ORGANIZATION DEVELOPMENT:  
AN APPROACH FOR ACHIEVING DESIRED  
ORGANIZATIONAL GOALS WITHIN THE  
VENEZUELAN NAVY

by

Alberto Shadah Udelman

June 1982

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Organization Development: An Approach for  
Achieving Desired Organizational Goals  
within the Venezuelan Navy

by

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B.S., Venezuelan Naval Academy, 1965

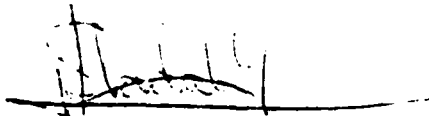
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## ABSTRACT

The Venezuelan Navy has evolved over the last 30 years into a very professional, well trained, and highly educated organization. Even so, it is still confronting several organizational problems. Although the second smallest of the Armed Services of the country, the Navy is responsible for very sophisticated weapon systems and for being, maintaining and operating an efficient peacetime force. Today, the Venezuelan Navy faces one of its greatest challenges, namely to keep its high performance standards in the face of a huge budget cut, resulting from the income reduction due to declines in the world's oil price. This thesis examines the need to bring Organization Development into the organization in the immediate future. After analyzing the Latin-American environment, the Venezuelan Socio-Cultural traits, and the Navy's particularities, the concept of "tropicalized" OD is brought into the discussion. The view is taken that in order to effectively use OD, consideration of the adaptations of OD practice are required to help the Venezuelan Navy to achieve a fit among its processes, the people, and the environment.

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## I. INTRODUCTION

This thesis presents an approach for achieving expected organizational goals within the Venezuelan Navy. The underlying body of knowledge to support the approach will be based upon the concepts and techniques of Organizational Development (OD). The author proposes that the usage of certain OD characteristics and techniques will help the organization to cope with the actual challenge posed by the complex technology of newly acquired weapon systems and by the new generation of better prepared manpower resources entering the Venezuelan Navy's environment.<sup>1</sup>

### A. FRAMEWORK OF ANALYSIS

Organization Development will be defined as the interdisciplinary process of using behavioral science, organization theory, humanistic theories, and other related ones that traditionally have been used for attempting to improve organizational effectiveness. Later, a more formal discussion will be presented. It is the premise of this thesis that before any attempt is done to use OD techniques in the

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<sup>1</sup>The author wants to express that the views and opinions written or implied in this thesis are exclusively his and in no way involve any Official or assumed approval from his Government nor host Organization.

Venezuelan Navy, those techniques should be subject to an adaptive process (hereon referred as "tropicalization process") to make them more compatible with the characteristics and cultural traits of Latin America in general and of Venezuela in particular.

#### B. ENVIRONMENTAL SETTING

The Venezuelan Navy personnel represents about 16 percent of the country's total Armed Forces, and includes the Marine Corps which represents about 4.5 percent of that total. The other branches of the Armed Forces of the country are the Army, Air Force and the Armed Forces of Cooperation (National Guard). The truly professional Armed Forces of the country developed after World War II. By the 1970's, Venezuela's armed forces were among the most modern and professional in Latin America. This advance has been attributed to many factors, among the most important being the vast petroleum revenues available to the government for modernizing its military establishment, which in fact they began doing at gigantic steps. In addition to providing excellent social and physical living conditions for members of the armed forces, the large defense budgets of the early 1970's were used to buy quantities of modern weapons from different countries (France, West Germany, England, Italy, Belgium and the United States), in sufficient amount as to arouse criticism by opposition leaders in the country (and official

denials) that Venezuela was fueling a Latin America arms race [Ref. 1]. It is also important to note that the Venezuelan military officer, after being generally hated and feared as an agent of repression during most of the first half of the century, had by the 1970s attained a generally respected position in society as a well-paid professional person. This concept has today spread to include not only the Officers but the Petty Officers as well [Ref. 2]. The author now will turn to a general analysis of the political setting and social context facing the Armed Forces. It is important to recognize that the political setting is a subset of, and consequence of the environment. The Venezuelan Constitution provides that the Armed Forces are to form a nonpolitical, obedient and nondeliverative institution [Ref. 3], a fact which has been respected up to the present. Those that have violated this statement have been prosecuted in accordance with the law. The same constitution invests the Armed Forces with the responsibility to sustain and insure the defense of the integrity, independence and freedom of the nation. It is important to also note that Venezuela is the only country in South America that has never gone to war with one of its neighbors. At this time, however, the persistence of two long-standing border disputes, one with Colombia to the west and another with Guyana to the east, keep the Armed Forces prepared for such an eventuality. As can be inferred from the above statements, by having a

relative absence of external aggressors, the primary mission of the Armed Forces has been the preservation of internal order and security. This fact in the nation's history meant suppression of opponents of the dictator in power. During the 1960s, however, when the threat to internal security emanated from leftist guerrilla activity, backed by Cuba and Moscow, all branches of the Armed Forces participated in successful counter guerrilla activities that strengthened both the Armed Forces and the development of the current democratic status. [Ref. 4]

The Armed Forces then, have and are playing an important role in the national development. This can be seen in the growth of their involvement in civic action programs designed to promote rural development and in doing so, to build rapport with the local population and thus undermine popular support for the guerrillas or any other possible source of social unrest. Among the most relevant projects is the construction, by the army's Gran Sabana operations, of a 200-mile highway to open communication and transportation with the Guyana Highlands (in the south of the country, near the Brazilian border). In another similar operation, the army constructed a highway and an airport in the remote Amazonas territory. On the Margarita Island (one of the country states situated at the North East, 90 miles off the coast), the Navy assisted in the construction and placement of an aqueduct to supply fresh water to its 200,000 inhabitants. The Air Force and



Navy have also been helping to provide support and transportation of food, facilities and equipment at many otherwise inaccessible locations. Other military projects are aimed at improving such areas as education, health, fishing and agriculture and providing assistance during disasters resulting from floods and earthquakes.

The most recent developments have been the creation of a National Military Industry, which included both the Naval and Aeronautical Industries as well as an ongoing project for setting up large shipyards and shipbuilding facilities. The ultimate objective of these efforts is to develop the capacity to supply most, if not all, of their total arms needs. [Refs. 2,5]

### C. VENEZUELAN NAVY'S CHALLENGES TODAY

As a result of the increasing involvement of the Armed Forces of the country in both governmental and industrial settings, there is an expanding demand for competent managerial resources at all levels. Such demands go well beyond what has been considered the typical profile of an officer. These needs, as well as those of many developing industries (many created as corporate partnerships between government and private industry), have also created a demand for more specialized officers, not only to achieve positive performance in those industries but to keep the Armed Forces at the required efficiency level as well.

The Navy in particular has been trying to keep pace, but has been having difficulties in achieving enough flexibility to overcome the burden of the traditional bureaucracy. To make things more complicated, the recent acquisition of six of the most advanced and sophisticated frigates in South America (Frigates LUPPO class, Italian custom made), have created a strong pressure for an almost radical and prompt change in many of the systems and procedures that could have been labeled traditional. Also, these sophisticated weapon systems will require a need for change in the logistics approach, the operational environment, the tactical environment and most notably in the manpower and training system.

The author has observed that traditionally the Venezuelan Navy is no different from many other organizations when it comes to the area of resistance to change. This is especially critical concerning the relationship of the change agent to the organization [Ref. 7]. This particular characteristic is compounded by the belief that any outsider will first have to understand the organizational setting and internal environment before attempting to do or say anything. If it is an outsider from a foreign country, resistance increases and the situation becomes still more complicated when that outsider (individual or group) does not communicate in their language (Spanish). Furthermore, the Venezuelan Navy is and behaves as a very traditional organization, a fact that has created a lack of fit with a country which is moving very

fast in the developmental trend. This of course creates social, political and economical maladjustments, which in turn creates a need for expertise in order to correct that lack of fit. Also, a need exists for the organization to be able to reshape, adapt and learn to become flexible so their potential for effectiveness can be improved.

#### D. ORGANIZATION OF THE THESIS

Because of this, the author proposes that by using adequately "tropicalized" OD techniques either by an internal or external individual or group, acting as a change agent can assist the organization in understanding and accepting OD. Then OD can be used in designing and manage the transition stage on to achieving the desired future state.

The next three chapters will explore the characteristics of the Venezuelan culture and society, the philosophies and principal values of contemporary OD in the United States, the adjustments and the shaping of OD techniques necessary to satisfy the Venezuelan environment, and finally a theoretical model is presented which outlines how to increase the probability of achieving and sustaining desirable changes in the Venezuelan Navy environment.

## II. CHARACTERISTICS OF THE VENEZUELAN SOCIETY

### A. SOCIAL CONTEXT OF POLITICAL INFLUENCE

The modern Venezuela, since its now lasting Democracy and well established support for the institution of elections (fact that can be assessed from the high turnover at the time of the last suffrages) is a very atypical country for setting up the stereotype of a typical Latin American country. The author considers it important to draw a distinction between the four following political elements: (1) the government itself; (2) the government's policy outcomes and outputs; (3) the political party in power; and (4) the different institutional actors that function under the regime's operational norms (like the Ministers and the Chairmen of semi-state corporations).<sup>2</sup> For the purpose of this thesis, it is considered useful to separate and distinguish "diffuse support" for the democratic regime from "specific support" for those institutions found in it. There is really no reason to expect a high degree of correspondence between the two, especially in a competitive political system like the Venezuelan, in which government turnover has become a legitimate outcome of the political process. In addition, it is

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<sup>2</sup>Semi-state corporations are those whose ownership is 51 percent government and 49 percent private investors. Their Chairmen report to a Minister of State.

important to determine the social location of criticism in order to better understand the nature of the regime [Ref. 8]. Following David Easton's definition of politics as "the authoritative allocation of values" [Ref. 9], the author will treat criticism and discontent as natural consequences of the political process, and not as symptoms of disorientation, misinformation, or inadequate political socialization. Along these same lines, the author will adopt the view that evaluation of political institutions is a result of previous individual and group experience in dealing with the actor or institution subject to such evaluation. The more critical or adverse the evaluation, the more negative these experiences are likely to have been. In one of the recent evaluations done in Venezuela, presented in the book written by Baloyra and Martz [Ref. 10], they found that socioeconomic differences do not constitute a major influence on the public's support for the operational norms of the democratic regime or in the evaluation of its policy outcomes. Support for the operational norms of the regime is relatively high among all classes, strata and groups, while criticism of regime policies and party politicians follow a similar pattern.

As the country has matured in its political context, a polarization has developed with the two major parties, COPEI (Social Christian) and AD (Social Democrat).<sup>3</sup> In elections,

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<sup>3</sup>COPEI stands for Comit e para Organizaci n Pol tica Independiente, and AD stands for Acci n Democr tica.

the two parties generally get about 80 percent of the total votes with the other 20 percent divided among the MAS (Movimiento al Socialismo), some independent parties and a tiny fraction going to the communist party. Also, military professionalism has matured and evolved as the Armed Forces became engaged in the democratic process that effectively began on January 23 of 1958.

As a conclusion of this section, it can be stated that political parties are the vehicle through which Venezuela has attained and so far maintained its democracy. All other interest groups have accepted the predominant role of the parties and the parties have accepted, and indeed insisted upon, the subordinate role of interest groups, while simultaneously soliciting their help and serving them. The electorate and the politically influential parts of Venezuela's society regard democracy as a highly imperfect but workable system which inflicts fewer losses and confers greater benefits for all participants than other political forms. Economic progress has played a central role in making the system function and its rules effective. Some additional comments will be presented in the section "Economic Characteristics", later in this chapter.

#### B. VENEZUELAN SOCIETY

This section will cover the most relevant aspects of the Venezuelan society, namely:

1. Its origin and evolution
2. Today's society
3. Religious characteristics
4. Economic characteristics.

Each of these is explained as follows.

1. Its Origin and Evolution

The Venezuelan society is an amalgam of three races-- White, Indian and Negro. Although ethnic background was an important criterion of status in colonial times, it became less so as "mestizaje" (the genetic mixing involving various combinations of any of the three) made distinguishing between racial types increasingly difficult. Eventually, ethnic categories came to be regarded as points along a continuum rather than as discrete entities, and physical appearance and skin color became a major criteria for determining status. Even though this area has proven conflicting in many other countries, in Venezuela no national census has classified the country according to ethnicity since 1926, so only rough estimates of the national composition can be made. In the mid-1970s between 10 and 25 percent were white, between 3 and 10 percent black, and between 4 and 7 percent mulatto; less than 1 percent were Indian, and between 60 and 90 percent were mestizos (now meaning a mixture of any of the four). The only consideration given to such categories in following censuses was a separate count of tribal Indians.

At the beginning of the sixteenth century, the territory that is present-day Venezuela was a kaleidoscope of Indian groups of widely varying cultures and linguistic affiliations. The more advanced groups were ruled by a "cacique" (chief) and supported by a priesthood to serve the local temples, whereas the more primitive groups lived as wandering hunters and gatherers or as seminomadic slash-and-burn farmers. The Spanish conquest resulted in a rapid and widespread extermination of indigenous groups. Enslavement under inhuman conditions, constant warfare, epidemics of hitherto unknown diseases, and famines all took immediate tolls. There are no reliable statistics available and hence it is impossible to estimate the loss of Indian life in the first years of Spanish rule, but it can be stated with certainty that in the first century of that rule at least twenty of the most populous tribes became extinct. Those that survived were brought to economical and political control and converted to Christianity. Mission outposts were founded by various religious orders. A system that dispersed groups of Indians and forcibly resettled them in accessible towns under the supervision of Church authorities was known as "reducciones" (reductions). Under another system, the "encomienda" (in charge of), individual colonists were given the right to collect tribute from Indians within a specific territory in return for undertaking their religious conversion. Each of



these systematic methods of pacification made a profound cultural impact on the native peoples.

By the end of the sixteenth century, the role of the Indians in the national ethnic structure had been fully set and the most populous tribes were virtually extinct, their surviving members subject to bondage under the Spaniards. Those few that were able to escape fled to the jungles, but, unable to find environments that would support large sedentary populations, they quickly lost the more complex patterns of their social and political life and came to resemble the primitive forest peoples. [Ref. 11]

As the agricultural economy flourished and as was said before, the Indian population diminished, the colonists turned to importing African slaves to meet their needs for a cheap source of labor. Large numbers of slaves were imported from many ethnolinguistic groups from the sixteenth to the seventeenth centuries. Uprooted individually from their native groups and held, often for months, in slave ports, along with widely differing peoples, they had little opportunity to maintain either their native languages or their tribal customs. Only occasional words, religious concepts, and beliefs survived as part of the folk culture, whose remains can today be seen in a region by the northern coast called Barlovento, in the Estado Miranda about 120 miles west from the capital Caracas. The author used the word "remains" because many of the slaves were brought not mainly

from Africa but from other American colonies, particularly the nearby Antilles by the Caribbean. Acculturated Spanish-speaking blacks were smuggled in large numbers, along with other "merchandise", in unlicensed ships, and their presence to some degree impeded the reestablishment of African cultural patterns in Venezuela.

Although in many instances the black slaves of Venezuela were mistreated and worked under inhuman conditions, they had a social and legal status that was vastly different from the slaves in British colonies. Whereas a slave in North America was considered the absolute property of the master, who could not be held responsible before law for any mistreatment, the Spanish colonial system provided several means of recourse for a slave who felt ill used. Homicide and physical cruelty to a slave were legally punishable, even if committed by the master. In addition, any slave who established that he had been badly treated could demand in court that he be sold to another master. And, whereas Anglo American law held that a slave had no civil rights--being the equivalent legally of a nonperson--Spanish American law gave him the right to contract for binding marriage and to own, bequeath, and dispose of property. In general, Spanish colonial law encouraged manumission,<sup>4</sup> whereas North American law was designed to discourage the freeing of slaves.

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<sup>4</sup>Manumission: The act of releasing from slavery or servitude.

Social custom reflected the law in the relations between masters and slaves. Mestizaje was quite common, and the offsprings of liaisons between the master and his slave women often held a privileged status, frequently being freed at adult stage and occasionally even being provided with a modicum of education. The act of manumission came to be a common means of celebration; it was customary, for example, to offer freedom to a young slave on a festive occasion like a birthday or a wedding in the master's family. [Ref. 12]

The result of this legal and social tradition of slavery was the rapid growth of a population of freedmen working as manual laborers in the cities or living as peasants on marginal lands. Although throughout colonial days blacks, whether free or slave, occupied a very low social status, they never felt themselves to be a part of a foreign and segregated ethnic group, but rather identified themselves as closely as possible with the society and culture represented by the Spaniards. From the outset Venezuelan social structure then was static and rigidly stratified along classes and color lines developed under the influence of Hispanic values and the Roman Catholic church. A small number of more or less pureblood white occupied the top rung of the social ladder by virtue of their status as landlords and preservers of the Hispanic heritage. This heritage stressed the importance of the patriarchal extended family,

the primacy accorded individual uniqueness and dignity, the disdain for manual work, and the distinction between the roles of males and females. Machismo, the complex of beliefs and attitudes that came to define masculinity, stressed chivalry, virility, courage and daring, played an important part in Venezuela's sociopolitical development. It was a vital ingredient in the personality of caudillos who governed after independence and which is today a deeprooted value in the society.

A small middle stratum was made up of less successful whites and those mestizos who were able to gain some education or wealth. Engaged as clerks, traders, teachers and petty bureacrats or in the forms of nonmanual workers, members of the middle stratum usually lived in urban areas and emulated the values and behavior of the upper class as closely as they could.

The lower class was rural and largely undifferentiated; the majority of its members were poor peasants, usually of pure or mixed Indian or African descent, and their lifestyles reflected the amalgam of cultures they inherited. Hispanic influence was found at the structural or institutional levels in such things as local government, the Spanish language and the Catholic religion. Restricted by skin color and poverty, and frequently by law, the lower class could not fully adopt all the values and behavior patterns of the upper class and so formed a folk culture that differed in

several aspects. Among those, the matriarchal system was chosen instead of the patriarchal.

As time evolved, both usage and law reinforced the rigidity of the social structure and the distance between the classes, where the whites (both Peninsulares and Criollos) considered themselves to be innately superior to their non-white compatriots and took every possible measure to maintain social distance.<sup>5</sup> But in the eighteenth century, Spain's crown began selling "dispensas de color" (color dispenses) which allowed their purchasers to enjoy the prerogatives and status of white men, regardless of social background. From here stems a widely used proverb of "El dinero blanquea" (money whitens the skin), and this eventually contributed to the liberalization and relaxation of discriminatory practices based solely on skin color. When the Independence War was fought (from 1810 to 1829, when Venezuela declared its independence from La Gran Colombia), all types of classes were intermingled for the fight of freedom. However, it was not until 1854 that President Jose Tadeo Monagas declared freedom to all slaves and declared that never again should such an antihumane system be instituted. [Ref. 14]

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<sup>5</sup>Peninsulares was the term used for the whites born in Spain, where Criollos was used for those whites born in the New World.

## 2. Today's Society

Before the oil era began in the mid-1920s, about 70 percent of the Venezuelan population was rural, illiterate, and poor. Over the next fifty years the ratios were reversed, at least to the extent that more than 75 percent of the population became urban and literate. No social group has escaped the impact. Accelerating opportunities brought large numbers of immigrants, increased the size and power of the middle class, created feelings of cohesiveness, and created a sector of organized workers within the lower class.

The upper class was quick to see the advantages of a growing economy and soon took over the fields of commerce and industry, moving to consolidate its wealth through urban pursuits. Upper class dominance in the economic sphere somewhat inhibited the ingress of a middle sector. As a consequence and in view of the tenuous hold the upper class exercised over the political system, the middle class found a greater access to mobility through political power and soon solidified its hold on the government. The author would like to indicate that this trend has continued over the last fifty-three years. It is demonstrated by the fact that all of its presidents, civilian and military have come from the middle class. The polarity that developed between political and economic power blocs and the orientation of each, came to reflect the differences in their social origins.

In spite of massive movement and increased differentiation within the society there are indications that the traditional social order has been preserved to a great degree. The traditional rural sector has reaped few of the benefits of development, and its social structure remains essentially rigid and static. In urban areas class boundaries have become slightly more permeable, but the main change has been the increased opportunities for mobility within each class [Ref. 15]. The author wants at this point, to introduce an interesting concept developed by the Venezuelan researcher Silva Michelena, in which he uses the idea of "class status" instead of "class strata", which according to him is more inclusive because it involves class identification and socio-economic status as well as decisional control over the means of production [Ref. 16]. It is important to mention as presented in the extensive research done by Baloyra and Martz, that after they devoted a lot of effort and analysis in order to establish a differential profile for the classes, their results were not conclusive enough to indicate that Venezuela has a well and clearly defined class strata. [Ref. 17]

### 3. Religious Characteristics

In 1976 (latest available data), some 90 percent of the people in Venezuela were baptized in the Catholic church. Several thousand Jews are concentrated in the major cities. As a result of missionary efforts about 2 percent of the population was Protestant. A small number of Indians

continued to practice their rituals and religions but some of them are still adopting Catholicism. Religious freedom is guaranteed by the Constitution of 1961, as it has been since 1836.

Relations between the church and the state have been harmonious throughout most of the current century and have continued to be peaceful up to the present. Due respect is accorded to the church through its representatives, who are always guests at all important ceremonial functions. Clergy are not barred from politics but they have gradually defined its role in society in accordance with recognition of the state's preeminence.

One of the most significant and traditionally one of the most important areas of church involvement in the Venezuelan society is in education. Catholic schools have traditionally educated the children of the middle and upper class (because of high tuition fees) which, of course, began to draw criticism. Since the 1960s, attempts have been made by the hierarchy of the church to establish some control over the schools, to encourage the admission of a greater number of scholarship students, and to increase the number of schools with little or no tuition. The results in the 1980s have been that more than two thirds of the Catholic schools and colleges are free in some regional areas or competitively priced in the more populated regions.



Even though the image of the Church's role has changed in the public view, traditional attitudes and reactions toward religion show little modification. Venezuelans continue to practice a kind of Catholicism that adheres only loosely to church doctrine but is deeply emotional. Laxity in practice is widespread, as is a low level of general knowledge of the basic tenets of the faith.

Of the various elements of religious practice, those with a more solemn aspect are less popular than weddings, baptisms and the celebrations of saint's days (today, it is still a big event in the less populated areas), all of which provide the opportunity of social contact in a festive atmosphere. Frequently the religious significance becomes secondary to social concerns. Moreover, affairs sponsored by the most affluent become occasions for a considerable degree of ostentation, as is usually indicated by the resultant criticism from the church's hierarchy.

In all classes, religion is regarded as properly the sphere of women. More conscientious in religious practice, within the family they are expected to assume the duty of religious and moral education of children. For girls early training is followed by close supervision in accordance with the socially protected status of the female sex. On the other hand, boys are somewhat short of discouraged from religiosity. Moreover, as experience and contacts outside the family circle increase, this attitude becomes more firmly fixed.

In the university environment, where liberal and communist inclinations are strongest, antireligious influence is especially great. Many times, marriage and other social engagements might lead to a greater compliance with outward form, but its basic view toward religious practice remains unchanged. Although devotion is not openly criticized, it obviously is not a positive element in the Venezuelan ideal of masculinity. [Ref. 18]

#### 4. Economic Characteristics

The Venezuelan economy has grown at a very rapid rate in the last four decades. In 1935, Venezuela was one of the poorest countries in Latin America; in 1981 output per person was higher than that of any other country in Latin America and rivaled that of some developed countries. In between, the economy experienced average real growth of seven percent per year, double that of the population growth rate. Compared to any other country for a similar period, there is agreement in saying that the performance of Venezuela has been awesome.

Economic growth has been irregular, however. In some "good" years, growth exceeded ten percent (as in 1951, 1956-57, 1964, 1972, 1974 and after). In other years, growth was only slightly in excess of population growth. The pace of the economy has followed closely Venezuela's petroleum market. In the 1950s and 1970s when petroleum demand rode high, so did the economy. The petroleum price break in 1958,

the relatively stagnant petroleum sector in the 1960s and the most recent fixing of prices below what the country expected, resulted in recession and sluggish growth during those time spans.

Structural economic change accompanied growth. Agriculture stabilized as a portion of the economy holding now the third position, following petroleum and most recently industry, commerce and services. The labor share of national income increased but the distribution of income among social and economic classes has remained highly unequal. The source of income is 29 percent extractive, 6 percent agriculture, 10 percent commerce, 11 percent manufacturing, 10 percent transportation and communication, 6 percent construction and 28 percent in other services including government. The income per capita is today estimated at somewhat over 4,300 U.S. dollars.

#### C. CHAPTER SUMMARY

As conclusion of this chapter, Table 1 summarizes, in a condensed format, the most important cultural and social traits typical of the Venezuelan environment.

The author wants to emphasize that Table 1 does not intend to portray a stereotype, but rather to portray a representative set of traits that would be very easily noticeable by any knowledgeable observer.

TABLE 1: SUMMARY OF VENEZUELAN SOCIO-CULTURAL TRAITS

- Religion: Mostly Catholic.
- Family Dimension: Paternalistic. Father is the key figure in the family group. High familism. Strong bond among father and child.
- Social Group Size: Usually large. If too small, the "compadrazgo" system is a usual mean to enlarge it.
- Social Status Differentiation: Basically where exists two classes--the haves and the have nots. Within each there is no jumps, but rather a continuum. In between lies a currently stagnant middle class.
- Sex Role Differentiation: "Machismo" is still a strong tendency and so is the "Marianismo", i.e. the pattern of female submission.
- Race Discrimination: Almost nonexistent. Seldom is this issue even brought up.
- Attitude Toward Life: Always optimistic. Never too much concerned about tomorrow nor the long term future.
- Trust: High distrust of nonfamily, high trust within family.
- Power Distance: High between those that are perceived to have power and those that do not. High respect for rank and position.
- Appearance: Highly sensitive about external appearance; dress and looks are very important.

### III. ORGANIZATION DEVELOPMENT

The study of individual and social change in organizations has been carried out by researchers, as well as behavioral scientists versed both in psychology and sociology. It is important to note that not long ago, systematic attention to organizational change was viewed as both unnecessary and unreliable. This orientation was often reflected in a passive, reactive pattern of management which emphasized short run adaptations as opposed to developing long run adaptability.

#### A. WHAT IS ORGANIZATION DEVELOPMENT?

In attempting to answer the question: What is Organization Development, a variety of concepts have been expressed by leading experts in OD:<sup>6</sup>

• Richard Beckhard defines it as:

"An effort (1) planned, (2) organization wide, (3) managed from the top, to (4) increase organization effectiveness and health through (5) planned interventions in the organization's processes, using behavioral science knowledge."

• Warner Burke of Columbia University defines it as:

"A process of change in an organization's culture through the utilization of behavioral science technology, research and theory. More specifically, for an intervention in an organization to be OD, it must (1) respond to a felt need on the part of the client, (2) involve directly and collaboratively the client in the planning and implementing of the intervention, and (3) lead to change in the organization's culture."

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<sup>6</sup>This set of definitions was obtained from The Academy of Management OD Newsletter, Winter 1978.

- Robert Golembiewsky, from University of Georgia, defines it as:

"In intent, OD constitutes a value loaded, theory based set of interventions that seek a simultaneous, multiple pay-off: Meeting individual and group needs, while contributing to the long run efficiency and effectiveness of large systems."

- Edgar Schein, from Massachusetts Institute of Technology, defines it as:

"OD is all the activities engaged in by managers, employees, and helpers which are directed toward building and maintaining the health of the organization.

OD is for the total organization what group building and maintenance is for small groups. How it is done, by whom, and by what means will vary. What defines it is the goal of a healthy organization.

OD should not be associated with what the consultants and helpers do. A healthy organization can develop itself; its managers are the primary practitioners of OD. But just as healthy individuals or groups need help in maintaining their system health, and such help can come from internal or external consultants. OD experts should therefore be experts at helping. They should not get caught up with any particular technique such as survey feedback, team building, etc., but should stay focused on how to help."

The above definitions, while but a small sample of views on a growing field of research and application, they basically encompass all the more relevant issues involved in the development of such interdisciplinary body of knowledge. It would be a simplistic assumption then to state that the main objective of OD is "to change an organization", because it is much more involved and complex than that. In the past, change was something that management sought to minimize and endure. Gradually however, most managers have come to perceive change as not only something which is inevitable, but also a key to organizational survival.

Greiner (1967) makes this point quite well when he writes: "A passive philosophy of managing change was adequate in less competitive times, when small patchwork changes, such as replacing a manager here and there, were sufficient to maintain profitability. But now the environments around organizations are changing rapidly and are challenging managements to become far more alert and inventive than ever were before."

[Ref. 22] Even though this was said fifteen years ago, its real impact was not fully perceived until the last five years. And, in some areas, it is still creating a shock today due to the lack of fit between what was thought of as a stationary environment and the organization interacting with it. Examples of this include today's big auto companies' difficulties in meeting the Japanese challenge, the Agrarian Reform and the Social Security crisis in Venezuela, the U.S. crisis in the Welfare System, and so on.

Faced with a dynamic environment, the effective management of change is now a critical concern for any manager affected directly or indirectly by it. It is then, with a dynamic organization in mind, that the author will examine some critical aspects of the planning and execution of the development of the organization.

## B. CHANGE AS A SYSTEM

Change, as defined in Webster's Dictionary, has many accepted meanings. Among them are: "to put or take something

in place of something else", "to make different, to alter", "to substitute", "to alter or vary." Hence, it's easy to note how hard it will be to identify in specific words such a generic definition that might encompass the idea of change. The author will define "change" as: The real or perceived reaction generated as a result of a real or intended action upon the up-to-then current situation.

There are three (3) typical types of change that can be identified in organizations; namely: a) Change in organizational structure or policy; b) Change in the people component (personnel); c) Change in the nature of the business or in the technology. For illustration, possible changes in each of the components described above will be listed.

- Changes in organizational structure or policy could be: Work flow changed from purpose to process, a new incentive plan is developed, the Unit reports to a new position in the organization chart, the organization changes name, the lunch hour is changed, the organization is changing its commitments, etc.
- Changes in people (personnel) could be: The Chief of the unit is replaced, a poor performer is fired, a different or opposite leadership style is implemented, more people are added to a small unit, half of the unit quits, etc.
- Changes in the nature of the business or in technology could be: Shift from manual to automated systems, a



more powerful computer system is installed, the core mission of the unit changes, the unit goes from one to multiple lines or services, power tools substituted for manual tools or vice versa, etc.

Of course, the lists are not exhaustive. However, it is important to notice that not all of them would have the same impact or be equally harmful or beneficial to the organization. The ability of an organization to accept, adapt and implement changes has been called "health" of the organization by R. Beckhard in his book Organizational Development: Strategies and Models. These conditions are:

1. The total organization, the significant sub-parts, and individuals, manage their work against goals and plans for achievement of these goals.
2. Form follows function (the problem, or task, or project, determines how the human resources are organized).
3. Decisions are made by and near the sources of information regardless of where these sources are located on the organization chart.
4. The reward system is such that managers and supervisors are rewarded (and punished) comparably for: short term profit or production performance; growth and development of their subordinates; and creating a viable working group.
5. Communication laterally and vertically is relatively undistorted. People are generally open and confronting. They share all the relevant facts including feelings.
6. There is a minimum amount of inappropriate win/lose activities between individuals and groups. Constant effort exists at all levels to treat conflict and conflict-situations as problems subject to problem solving methods.

7. There is high "conflict" (clash of ideas) about tasks and projects, and relatively little energy spent in clashing over interpersonal difficulties because they have been generally resolved.
8. The organization and its parts see themselves as interacting with each other and with a larger environment. The organization is an "open system."
9. There is a shared value, and management strategy to support it, of trying to help each person (or unit) in the organization maintain his (or its) integrity and uniqueness in an interdependent environment.
10. The organization and its members operate in an "action-research" way. General practice is to build in feedback mechanisms so that individuals and groups can learn from their own experience.

The important concepts described above highlight the complex set of variables that enter into the change process at the individual, group, or organizational level. For this reason, the author will describe one of the models known as the INPUT-OUTPUT Model in the Systems jargon. The schematic is shown in the figure below.

Inputs to the system will be any attempt to bring about changes. This could be from the environment, the technology, as a consequence of influence techniques by management, or as a reaction from its own output. Whether the Output will have a positive (functional), negative (dysfunctional), or neutral impact will depend on a large number of variables intervening as part of the transformation process. The variables mediate the acceptance or rejection of those changes. Similarly, they also influence the nature of the consequences that will be forthcoming from the changes.

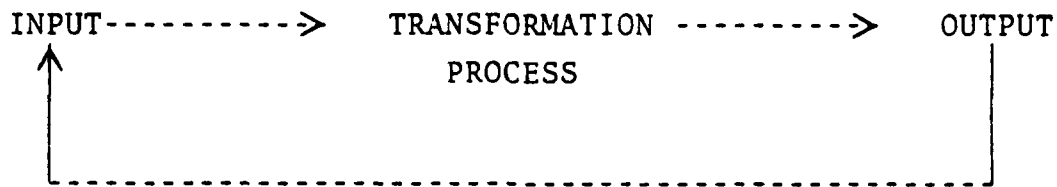


Figure 1: Input Output Model of Change as a System.

As an example, no matter how technologically sound a proposed change, if the organization components are too inflexible to accept change, neutral or negative consequences are likely to occur from the change. Explanations of some terms used in a proposed change are: A Functional or Positive Output would be like a growth of profits, increased number of people, job enrichment, improved job satisfaction, etc. A Neutral Output would be the maintenance of the status quo; and a Dysfunctional or Negative Output would be a decrease in profits, people terminated, high turnover develops, etc.

It is also important to mention the concept developed by Burns and Stalker<sup>7</sup> of Organic and Mechanistic organizations. They use the term "Organic" for those "that have found it

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<sup>7</sup>The reference is to Burns and Stalker's book The Management of Innovation, London: Tavistock, 1961.

easy to adapt to changing environmental demands", and Mechanistic for those "that resist change by their very nature." Hence, an Organic organization could be thought of as being "healthier" than a Mechanistic one.

The transformation process which is done through the intervening variables, i.e. flexibility of people; organic vs mechanistic type; perceived consequences of change; leadership change methods; flexibility of structural factors; commitment of management to change; etc., is a key issue in the model. By understanding the interaction between inputs and the transformation process, the outcome could be predicted to determine whether the change would occur or not and if it does, whether it will be sustained or not.

A very important issue arises now. The common factor in all the action/reaction schemes are the human beings involved in the system; hence they are the ones to be considered if a successful change is to be achieved. A way to consider this factor might be by trying to identify the effects of change upon people. It has been found that the impact of the change is a function of: a) the magnitude and type of the change and b) the person's capacity to tolerate change. Reactions to change can be major or minor, diffused or focused, and psychological and physiological.

As has been indicated in the literature [Refs. 26, 28], any change generates stress which can be a result of anxiety growing out of uncertainty about the future. A way to cope

with or diminish the stress might be by lowering the anxiety factor which, in turn, could be achieved by treating employees supportively, creating supportive work environments, trying to avoid value conflicts and understanding social and cultural beliefs, values and traditions.

The resistance to change can be manifested in many different ways. Basically, it springs out from the people perceiving a change as a threat to their emotional or financial security. Also, they usually fear a change in their human relationships (social change) that generally goes with technical change. There are several ways in which resistance manifests itself, and the author thinks it is important to note them because their presence and their intensity could be used as "barometers" for measuring the "resistance pressure." Among other factors that could be identified, the author would mention: a) A passive-aggressive behavior, i.e. expressing hostility through inaction or by obeying the rules/instructions strictly, b) Resentment (emotion) in response to higher authorities' orders or instructions on how to comply with the change, c) Direct aggressive behavior, i.e. sabotage, absenteeism, resignations, requests for transfers, AWOLs, etc.

### C. HOW TO DEAL WITH RESISTANCE TO CHANGE

There are many perspectives offered in the literature concerning how to reduce resistance to change.<sup>8</sup> Some that the author considers more applicable to this paper are:

1. Select positive people; i.e., people least likely to resist change or those committed to the change (using Beckhard and Harris' idea of the "critical mass"), [Ref. 29].
2. Avoid coercive tactics; try the usage of the "shaping" technique in order to induce people to behave in a congruent way with the change instead of trying to do it by negative reinforcements. [Ref. 39]
3. Try to get as many flexible people as possible (flexible in the sense of willing to compromise for the sake of the benefits of the change).
4. Provide valid information, thereby reducing the fear of the unknown by telling them the scope and context of the forthcoming changes so they will have a more structured situation to perceive. Of course, the information provided about the future should prove correct as the change evolves (at least within acceptable limits).
5. Minimize social changes; i.e., try not to disrupt the interpersonal or social relationships that might have been established unless this can not be avoided.
6. Avoid preoccupation with technology, try to build confidence in the outside consultants, if any, or in the change agent(s). Assist the change agents to understand that the reaction of the people is more important than trying to force acceptance of their techniques and purposes. Realize that people affected by changes are more concerned about these effects than upon the technical features of the change method or the change agent.
7. Use shared decision making; i.e., allow people to participate in changes that affect them. This, by

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<sup>8</sup>Among the many works written, the most relevant to this topic are those written by Paul R. Lawrence, George Strauss and L. Sayles, Donald Schon, A. DuBrin, R. Beckhard and R. Harris.

the way, is related to point one above because when you get an individual or group of individuals contributing ideas to a proposed change, disapproving or resisting that change later will be equivalent to disagreeing with oneself.

8. Use economic incentives, if possible, as part of the process so the fears of reducing the income as a result of the change can be overcome.

As a conclusion to the line of thought then, the author would say that the idea of thinking of change as a system is valid, and so is the idea of eventually developing a model that might encompass a large amount of the variables/parameters.

#### D. OD MODELS FOR PLANNED CHANGE

In general, it can be said that Planned Change Models rely heavily on outside help; i.e., the use of OD agents.

Implementation is viewed as a dynamic process involving collaboration between users and designers, to determine patterns which are either effective or ineffective in achieving successful implementation. Once the patterns have been established they can be translated into strategies and tactics which users and designers can employ to improve the chances of success in their projects. Then, the process approach focuses on managing where the earlier models of Organization Improvement were concerned about measuring and classifying.

## 1. Kolb-Frohman Model

This model is based in viewing the OD agent's intervention in the client system as a total OD program. An intervention then, is an OD intervention if:

1. It is not undertaken as an isolated event, but rather with consideration for its impact on the organization as a total system, and
2. It is directed not only at solving the organization's immediate problem but also at improving the organization's ability to anticipate and solve similar problems.

The model can be represented as a seven-step approach with two feedback loops as indicated in Figure 2. [Ref. 33]

The first feedback loop from PLANNING to ENTRY, defines the need for continuing renegotiation with the client in the light of the DIAGNOSIS and PLANNING activities; i.e., keeping the dynamic approach. The second loop from EVALUATION to PLANNING, defines the need for using the evaluations of previous actions to modify planning activities.

SCOUTING: Here, still a preliminary stage. No commitment has occurred from either part. The OD agent is scouting his own interests, values and priorities in order to decide if he is to work with the client's system. Usually the first question to answer is "What about their perception of the problem and of myself that led them to contract me?" Also, an investigation of the clients' previous engagements with OD agents and the outcomes of that. This aspect can show a lot about the trends and tendencies of an organization; e.g., its openness. The most important outcome of



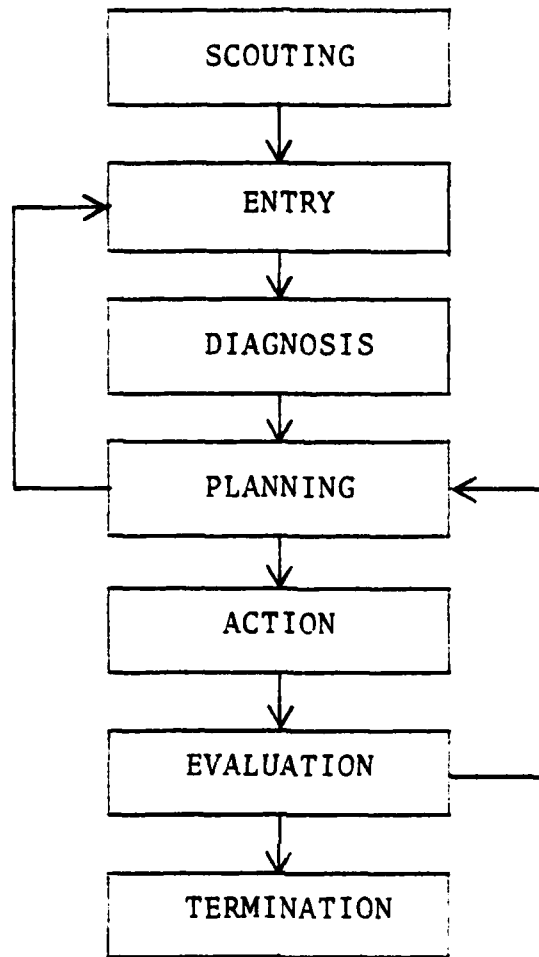


Figure 2: Kolb-Frohman Model.

this scouting process is the choice of a formal entry point into the client system. Before doing the entry in the client system, it's important to identify and understand the power structure of the system.

**ENTRY:** At this point, the OD agent and client system, usually through the entry representative, begin the negotiation of the contract. The use of this term "contract" by Kolb and Frohman is "to define if and how the succeeding

stages of the planned change process will be carried out." They went on and listed ten areas in which agreement should be reached.<sup>9</sup> Here, they pose a heavy emphasis on the importance of trust based power, which they define as "that informal influence that flows from collaborative problem definition and solution." Hence, to create and reinforce trust based power, it is necessary to establish a collaboration relationship between the client and the consultant.

As the planned change progresses and new information is gathered, it might be necessary to renegotiate the contract. Why? In the first place because the nature of the problem might change under the light of the change that had already taken place. Secondly, because the OD agent's particular expertise may become more or perhaps less relevant to the client system. Then, after settling these details, the process moves to the next step.

DIAGNOSIS: This phase focuses on four key elements: (1) the client's felt problem; (2) the client's goals; (3) the client's resources, and (4) the OD agent's resources. The start of the diagnosis with the client's "felt problem", does not mean to copy his words--it involves appreciating the client's system's culture and language, being in his

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<sup>9</sup>The ten areas are basically the OD agent and client's resources, the goals and expectations, and a broad outline of the approach.

shoes to see problems the way he sees them. This empathy is fundamental to ensure the client's involvement in the diagnosis process. Also important is to identify the subparts of the system where the problem or problems are located and the interrelations of those subparts with the rest of the system. This is a key issue in order to be able to anticipate the effect of the change in that one part of the system will have over the other components. The next step in the diagnosis process is to define the client's goals; i.e., to what desired state is the client striving? The resource agent of client and OD agent's are those which are going to be useful in improving the client's situation. Basically it means answering questions such as: Is the client system really committed to the solution of the problem? Are the key individuals responsible for implementing the change committed? Are the OD agent's motives well defined? (Are they looking for prestige, genuine desire to help, scientific experimentation or publicity?)

Another aspect to watch carefully is the client system's reaction to the OD agent itself as a change agent. Is he considered as an intruder? Is he considered a threat or a helper? Is the system's climate tense or relaxed? Answers to these questions will provide an assessment of how likely a success will be.

**PLANNING:** This phase should proceed in close cooperation with the client to insure that the plans are appropriate

to his needs and that he will understand them and be committed to their execution. At this stage, the specific behavioral objectives to be achieved by the change should be set. This key part will make the evaluation process easier. Having fulfilled the setting of objectives, alternative solutions or change strategies can be generated. Each alternative should indicate what source of power will be used to implement it and to which organizational subsystem the intervention is addressed. Kolb and Frohman mention six subsystems to be considered:

The people subsystem - manpower and education.

The authority subsystem - formal and informal.

The information subsystem.

The task subsystem - human satisfaction; technological change.

The policy/culture subsystem - incentive/reward structure; norms, values.

The environment subsystem - spatial dispersion, society, labor, market, etc.

**ACTION:** This is the phase when the best change strategy developed in the previous phase (planning) is implemented. If everything was well done before (in the previous phases), everything should go fine and smoothly. Typically, the problems found in this phase can be traced back to unresolved issues in the previous phases. Many times the failure of most plans is due to failure to anticipate the social change that goes with the implementation,

either power alterations, obsolescence discoveries, lack of participation by the affected people, etc.

EVALUATION: This phase can be done either by the same client-consultant relation or could be done by an outside consultant hired for this effort. The evaluation is conducted in terms of the specific objectives defined during the planning phase as well as interim task goals designed to determine if the change is progressing as desired. Evaluation also could be done by the client itself if he can use information generated for self-analysis so he could monitor the progress of the action phase and evaluate the data himself.

TERMINATION: The relationship between client and OD agent is by definition temporary and the termination conditions should have been clearly defined and agreed upon at the initial entry contract. There exists, of course, two possible outcomes of the change effort--success or failure. Success has two main aspects: first, achievements of the goals outlined in the entry-diagnosis-planning phases, and secondly, the improvement of the client's ability to solve by himself similar problems in the future. Failure is, of course, a more embarrassing situation for both the client and the OD agent and is often solved by very sour ways.

This, in a very brief way, highlights the key points of the Kolb-Frohman approach to planned change.

## 2. Lewin-Schein Model

The Lewin-Schein theory of change emphasizes the various organization forces resisting change. In order to overcome this resistance and ensure long term achievement of change, change must be considered as a three step process: Unfreezing, Moving or Changing, and Refreezing. [Ref. 34]

Unfreezing entails the disconfirmation of existing stable behavior patterns; i.e., overcoming resistance to change by introducing disequilibrium into the present stable equilibrium.

Moving or changing is the action phase of the change effort. This requires the presentation of information necessary for change and the learning of new attitudes and behaviors which are necessary parts of the change.

Refreezing refers to the stabilization of the change and the integration of attitudes and behaviors into existing patterns and relationships. It is important to note that refreezing does not mean to imply stagnation. Indeed the whole process of unfreezing, change, and refreezing is viewed as an iterative process.

### E. A BEHAVIORAL MODEL

Management of change in complex organizations as has been said in previous sections, can be equated to management of change in uncertainty. Then, as uncertainty is a way of life, what is intended when managing change is to increase

the probability that the expected outcome occurs. Human systems, and organizations as well, need some certainty and also have a need to get positive feedback and to reduce negative feedback. If the reduction of negative feedback does not reduce the level of anxiety, the organization will try to defend itself either by fighting the change effort or just by closing itself off (ostrich attitude). [Ref. 35]

The nature of the organization's world will exist in terms of complexity and uncertainty within its particular environment. Then, the questions to answer are: How does OD cope with them? How does OD reduce them? How does OD manage an uncertain and dynamic environment? There have been many different attempts to answer all or most of these questions. Usually the attempted approach has been by developing models, usually named behavioral models, one of which will be described next.

#### 1. Action Research Model

This model was developed by a group of behavioral scientists as a conceptual model for an early organization improvement program in a series of oil refineries. Herbert Shepard, one of the behavioral scientists involved in that program, defines the nature of action research as follows:

"The action research model is a normative model for learning, or a model for planned change. Its main features are these. In front of intelligent human action there should be an objective, be it ever so fuzzy or distorted. And in advance of human action there should be planning, although knowledge of paths to be objective is always inadequate. Action itself should be taken a step at a time, and after

each step it is well to do some fact finding. The fact finding may disclose whether the objective is realistic, whether it is nearer or more distant than before, whether it needs alteration. Through fact finding, the present situation can be assessed, and this information, together with information about the objective, can be used in planning the second step. Movement toward an objective consists of a series of such cycles of planning-acting-fact finding-planning." [Ref. 36: p. 133]

From the above, it follows that action research is an approach for problem solving, using what could be labeled plain common sense; i.e., define objectives, work up a strategy to achieve them (planning), perform data gathering and analysis to ensure realistic measures of how adequate is the approach been taken to achieve those objectives, as well as the objectives themselves. Then, perform a step (action) and reevaluate, which basically means recycle back to measure against the closeness to the objective (research). Depending on the outcome, do more planning and keep going until the objectives are totally achieved.

In this process, an OD agent is typically required. His main roles are to help management to plan its actions, and to develop procedures and processes for fact finding (feedback) which at the same time can be used as a learning experience for them. This process will help to improve the managers' skills and help them to set more realistic objectives and also to improve the ability to organize.

Then, it is easy to see that action research is a continuous sequence of events and actions oriented toward the fulfillment of a specified set of objectives. The



interesting idea behind this model is that even though it seems extremely simple in its concept, its implementation requires heavy involvement of the client organization. Also, to take effective actions, it requires research to identify practical problems, including the existence of standards so that measurement can be done.

No matter what the arguments are, it is true that action research models do have real and philosophical values. One is that action in the real world should be accompanied by research on that action so that feedback can be obtained, and then a cumulative body of knowledge and consequences can be established to solve future real life situations. The other is that action plans and programs conceived and designed for solving real problems should be based on reliable and true data generated by the interaction of OD agent and client. This means that the action evolves as a consequence of the findings presented as a diagnosis.

#### F. THE VALUE SYSTEM OF ORGANIZATION DEVELOPMENT

OD relies heavily upon behavioral science. Where it draws most heavily is in understanding the expected and diversified behavior reaction that the human component will have when subjected to a change process. Hence, the author will turn attention to a description of the basic components of human behavior, such as attitudes and values. The author will not discuss "belief systems" in detail because it is

beyond the scope of this thesis. However, for the purpose of laying groundwork, Milton Rockeach's definition of beliefs as "those inferences made by an observer about underlying states of expectancy", will be used [Ref. 23].

It is important to note, that since most causes of behavior are not directly observable, the observer has to depend on his or her perceptions. It is the perceived rather than the actual determinants that are used to explain behavior. Furthermore, even though a situation is the result of numerous factors, it is usually preferred (based on need for simplicity) to search for a simple cause-effect explanation. This obviously can lead to inaccurate evaluations of the behavior of others. As the OD observer views things through his own perceptual filters, his views are influenced by his own attitudes and beliefs. Therefore, OD specialists must make a special effort to overcome their own biases so that the client's behaviors and attitudes are accurately perceived. Client behaviors can only be influenced if the causal attitudes are understood.

The next step, then, will be an attempt to define attitude within the context of the individual and its environment. Attitudes will be defined as "regularities of an individual's feelings, thoughts, and predispositions to act toward some aspect of his environment"<sup>10</sup> [Ref. 24].

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<sup>10</sup>A very extensive discussion of this term as it has evolved in time can be found in the most recent work

From the definition just presented, it is derived that responses to a stimulus can be classified into three categories or components. One is the Cognitive Component or the perceptual responses and verbal statements of belief (thoughts, ideas, beliefs the person has). Another is the Affective Component or the sympathetic nervous responses and verbal statements of affect (Feeling Component). The third is the Behavioral Component or the overt actions and verbal statements concerning behavior (the tendency to act consistently with attitude). Consequently, an attitude may be considered as a way of thinking, feeling, and behaving [Ref. 25: p. 20]. There is extensive literature about attitudes, their characteristics, their functions and their shaping. Hence, the author will not pursue further description, but rather will go into the analysis of an approach to how to change or influence attitudes.

#### 1. Attitude Change

This section will deal with the concept of "attitudes" within the organizational setting as well as their impact in the individual's behavior. A specific OD technique will be introduced as an example.

Traditionally, efforts to change attitudes have sought to modify the behavior, thinking, and feeling of the

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published by Ajzen and Fischbein Understanding Attitudes and Predicting Social Behavior [Ref. 25].

situation. Furthermore, there seems to be agreement among investigators that attitudes toward any object are determined by beliefs about that object [Ref. 25: p. 62]. One of the most direct but complicated approaches to dealing with an undesirable attitude is to attempt to change the accompanying behavior. Typically, coercion or discipline is the first thing that comes to mind. However, the traditional role of discipline when exercised, subjects the individual to negative reinforcement resulting from threats of such things as temporary layoff, demotion, or arrest. Even though this seems to induce a change in his or her behavior, what is often achieved is to change behavior to the smallest degree needed to avoid punishment. This might create a need for tighter supervision which eventually will lead to higher costs and job dissatisfaction. This, which shows the opposite of what was intended in the first place, might occur when discipline is applied. Furthermore, the undesirable attitude may not have changed at all and possibly has become more negative than before. Generally, discipline is perceived by the subordinate or employee as inconsistent, unfair, and a criticism of his or her personality rather than of behavior. For these reasons, as well as others, dealing only with the behavioral aspects of an undesirable attitude, especially through the use of coercion, is not usually an effective OD approach.

In many cases, management has sought to change employee's ideas and beliefs; i.e., the Thinking Component of an attitude. Very frequently, an undesirable attitude may be the result of insufficient or misleading information. In these cases, giving the right information and presenting facts will have a good chance of modifying the attitude. An attitude that has a deep, emotional content probably will not be changed by just providing information or even reasoning. By providing new information, management might be introducing new cognitive elements that may cause dissonance within the individual. It is hoped then that the dissonance generated by the new information will be sufficiently strong to induce that individual to change his or her thinking about the topic under discussion.

A much more difficult dimension of an attitude for the OD consultant to deal with is the feeling dimension.<sup>11</sup> The reason for this is that it requires an attribute not very usually found, namely, the ability to listen. It is the author's personal view that this trait is very difficult to find in action-oriented managers, which constitute the majority of the modern Venezuelan Military Management. Within the many techniques available in the OD arsenal, one very relevant to attitude change is the "Active Listening" technique. This technique requires the receiver to understand

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<sup>11</sup>This is particularly important in the Latin American setting as will be discussed in the next chapter.

exactly the idea that his sender intended. The receiver has to be a sympathetic listener. As for the atmosphere of the interview, it should be an understanding and nonthreatening one in which the sender feels free to express his feelings, problems, and attitudes. Such an atmosphere is not created by chance and requires a large amount of time and effort [Ref. 26]. Active listening can be used to affect changes in attitudes and help to create a better work atmosphere. It also relieves the sender of some of the tensions that he or she is experiencing. By doing this, it is easier to explore courses of action that might be required for further change. Even though communication does not by itself produce outstanding human relations, negative emotions can prevent the kind of thinking necessary for problem solving and for developing goal-oriented behavior.

Numerous job factors are perceived by the employee and influence his or her attitude toward each aspect of his or her world. One of the most common approaches to changing attitudes is to modify the situations that are the source of the unfavorable attitudes. Potentially disturbing conditions are located and identified by the use of opinion or attitude surveys that typically contain questions about supervision, work conditions, pay, and other organizational variables. This permits the employee to assess the job factors as he perceives them, as well as those that have influence over each aspect of his work world. In this method, questions

are structured so that the employee can register his opinion and also indicate as to what degree he is for or against it. This process will eventually allow management to enhance the quality of work life by changing those perceived situations that reinforce dysfunctional attitudes.

This section, then, has explored some of the underlying theoretical concepts of attitudes as a component of human behavior. Some thoughts were presented and some examples provided as well as some possible approaches as to how to influence behavior through the feeling dimension.

## 2. The Values of People

Values, for purposes of this paper, will be understood to be "the desirable and status or conditions that one would like to see prevail above all others." [Ref. 27] As a consequence, then, values form the basis for an individual view of the world and provide a sense of coherence and unity to living. Also, the definition implies that since values represent the individual's concept of an ideal relationship or state of affairs (the colored crystal concept), they are used to assess what is right or wrong. As a result, they are the yardsticks that allow for comparisons, evaluations, decisions, and actions. This particular trait will have to be understood in a twofold way. First, as values in the client or affected organization and secondly, as those of the behavioral scientist, OD consultant, or change agent. Concerning the first, the members of the system, in general,

will value collaborative efforts and the results that the collaborative system produces.

For the collaborative system, there is a basic assumption to be stated, and that is that the nature of man and his work in an organizational context, must be a critical area of consideration for management. This in turn will exert a powerful influence in the process and technology for developing more fully functioning organizations. Then, OD programs will have to be designed to provide better quality of work life and welfare for all the members of the organization. This will dissipate the belief that they are manipulative techniques to be used by any particular group to exploit others, or designed to obtain welfare by some, while others are being sacrificed. This particular value must be developed and articulated very early in the OD program and any misunderstanding or incongruence should be worked out, or the whole effort might turn out to be a failure.

It is, of course, evident that any OD approach will fail if either the system members place no value on the goals of the organization and/or have some ideological commitment to chronic dissension, turmoil, anarchy, violence, destruction or hate. This means, then, that some values must be in harmony between organizational members if group participation and conflict resolving techniques are to be useful.



As for the second, values of the change agents or OD consultants, although not all of OD consultants completely share the same values, the literature [Refs. 27, 28, 29, 30], lists the following:<sup>12</sup>

- Seeking to increase the effectiveness of the organization in terms of all of its goals.
- Treating each human being as a person with a complex set of needs, all of which are important in his work and his life.
- Providing opportunities for people to function as human beings rather than as resources in the productive process.
- Providing opportunities for people in the organization to influence the way in which they relate to work, the organization and the environment.
- Providing opportunities to each organization member, as well as for the organization itself, to develop to his full potential.
- Attempting to create an environment in which it is possible to find exciting and challenging work.

In addition to the previous set of values, change agents might also hold values such as to allow feelings and sentiments as a more legitimate part of the culture of the organization and, hence, enrich and give more meaning to their work and life. The risk here is that putting too much emphasis in this value, some organizational realities can be forgotten or minimized. Another typical value is that concerning democratization of the organization or what is

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<sup>12</sup>This listing does not intend to present any ranking or order of importance.

known as "power equalization". While this is usually intended to humanize the work place or to get into a democratic-participative way of life, for many this might imply a threat to reduce or minimize the power of owners or managers. Therefore, it is important to add that the OD agent will have to make his or her values and beliefs visible to both themselves and their clients. Not doing so can very easily lead to distrust and hinder trust building and mutual learning.

[Ref. 28]

#### G. CHAPTER SUMMARY

This chapter has covered a very wide array of material, all of which represents a strong techno-structural foundation for most of the thesis. OD was discussed and presented from different perspectives. Then, an essay was presented arguing that change be understood as a system. Later, discussion was offered on how to cope and overcome resistance to change. Several models were presented to achieve organizational change and within them, the individual's behavior was considered. The last section of the chapter was devoted to review the value system of OD, taking into consideration the attitudes and values of the people in the organization. This whole process was presented in a somewhat theoretical or abstract view of the real world. The next chapter will integrate these concepts such that a real application to the Venezuelan Navy's environment can be achieved.

#### IV. A MODEL FOR THE VENEZUELAN NAVY

##### A. COMPARATIVE ANALYSIS OF SELECTED TRAITS

Preceding chapters have pointed out that OD can not be applied directly in a Latin environment as it is presented in the literature. Authors are, by and large, either from European or Anglo origins. They have offered ideas and approaches that would make sense when applied to particular societies and cultures. To attempt to directly apply those theories, ideas, and concepts in cultures different to those for which they were intended, will be doomed to failure. Such may the case if OD techniques are applied directly to the Latin American environment. Why? Because their cultural values and belief systems are different in many respects. As was discussed before, OD relies heavily on the behavioral sciences; i.e., behavior is a key element. When the systems that shape behavior are different, then, without any doubt, the behavior will be different. Hence, the OD approach must be reoriented, adapted, or tropicalized (as the author suggested before), in order for it to be really effective in this different setting. Before going into the analysis of the applicability of OD in the Venezuelan Navy's environment, a broad discussion of differential traits will be presented.

## 1. Socio-cultural Traits

Before discussing traits, the author warns that when he claims that a cultural group or society has some attribute, it does not mean that everybody in that group or society has it, or has it to the same degree. Also, it may be said that variations are large and patterns of language and culture vary within Latin America. Even then, the author assumes that there are some generalizations that could be made in order to reduce or simplify this variation. This assumption is based both on personal observation of the author (who has lived in both cultures), and on the work by Triandis (1981) about intercultural variations [Ref. 38].

Leadership - When considering leadership in the Anglo culture, leaders follow a more optimistic or democratic assumption about the capacity and initiative of the average employee. They usually agree with the desirability of sharing information about the objectives of the organization instead of issuing narrow and detailed instructions or procedures. They also place a strong emphasis on control and believe that money is the primary mechanism for doing so. The approach in the Latin culture is that leaders usually exhibit an elitist and autocratic attitude. They are usually negative about communicating anything but a narrow set of instructions, reducing the possibility of subordinate participation and control. They tend to feel that subordinates have little ability, little more to offer than muscle, and

that they are not to be trusted. Frequently, information is withheld or manipulated so that the leader can maintain power and control.

Nationalism - Defined by the Webster's dictionary as: 1. "National spirit or aspirations", 2. "Devotion to the interests of one's own nation", 3. "Desire for national advancement or independence", it can be stated that nationalism is based on a relation, usually in terms of loyalty and duty, to the concepts of "nation". Nationalism, then, is a cultural phenomenon, the result of people's social behavior and the integration of personal identification with national group identity. The Anglo feeling of nationalism is fundamentally based on principles of natural law and reason. Usually manifested by heavy emphasis on national defense, national pride, fight for freedom and liberty, believing and promoting the "American way of life", and so on. Also, this concept involves popular sovereignty, representative and constitutional government, individual rights and the rule of law. In the Latin culture, nationalism, even though the definition is basically the same, is interpreted usually in terms of emphasis upon achieving national economic goals, to create respect for sovereignty, awareness of own political power, and willingness to use new social models to remedy poverty and misallocation of resources. Frequently this concept is invoked to perform "nationalizations", which means nothing more than property appropriated

and kept as property of the state, usually performed to exclude foreign private capital. This has been repeatedly used in Latin America to portray toughness and "National Pride."

Attitude Toward Work - When analyzing the attitudes toward work, the Anglo culture has since colonial times, viewed work as a means for group survival, group and individual well-being, as a source of self-achievement, and as a means to gain respect and recognition. In the Latin culture, the heritage left from colonial times is one of regarding manual work as a legacy from slavery. Hence, upper and high middle classes regard manual work as something to get away from. This feeling is in some instances extended as a general repulsion to work because it might be related to identification with the low end of the social strata. Also from colonial times, there is a cultural tendency of a predilection to judge the value of an individual by personal traits and family relations, over the record of performance which might otherwise readily separate the fit from the unfit. This same trait has evolved into the preference among businessmen to favor relatives and friends in commercial enterprises and governmental offices. In the Anglo culture, there is a greater amount of impersonal treatment to the individuals when applying for work. Laws have been enacted to insure this, such as the Equal Rights Amendment, Equal Opportunity Employment Act, etc. Furthermore, work is

considered dignifying and linked to the "Protestant Ethic", as a means to achieve social status, well-being, security and comfort.

Productivity - This has been a key issue for many years in developed countries. The Anglo culture has built into its system a "productivity-oriented" society by creating understanding and agreement in making the best use of its resources in order to increase output, while at the same time minimizing waste and idleness. A recent trend is to attempt to keep increasing productivity, while at the same time improving the quality of its products, in order to cope with the Japanese challenge. In the Latin culture, productivity maximizing has not been an explicit objective. Foremost interest is typically to satisfy a required or specified quota without too much concern or worry about the quality of products, nor the adequate use of inputs. It is important to note, however, that in those organizations where adequate and "tropicalized" incentive and reward systems have been implemented, productivity has equalled and even exceeded that of organizations in developed countries.

Motivation - Motivation is "that internal drive that forces people to act and to sustain certain behavior." In the Anglo culture its main drives are to make money, to be satisfied with work performed, to have a say, and to be able to shape the way things are done. People can be labeled as action oriented. In the Latin culture, the drive is mostly

for achieving status and prestige, to gain, retain and display power, to be socially accepted by many, to have a lot of "amigos" (friends), and to have fun and enjoy life. Money making is not a primary objective. Usually they do feel satisfied by earning just enough to have a decent life, be free of debts and to be able to socialize with their friends and families.

Concern about Time - The Anglo culture places high value upon "time" and treats it as a scarce resource ("time is money", they say). Usually timetables are established and followed. Controls are enforced simply for this sole purpose. The Latin culture does not place that heavy emphasis upon "time". There is always a chance for "mañana" (tomorrow). They are not too concerned about keeping appointments or dates. Frequently these are cancelled or simply forgotten, because the "boss ran into an old friend" and decided to socialize rather than rush back to fulfill his agenda. It is also the case that the person or persons waiting for him, after a certain amount of time, will understand that he will not show up and leave with no hard feelings.

View of Management - In the Anglo culture, management has evolved a long way and is regarded and treated as a science, closely intermingled with many others. Managers are somewhat like scientists relying on expert knowledge, discipline and experience. The decision making process is usually evolutionary, a result of sharing of ideas and



expertise. The decision maker usually weights his decisions against its effects on productivity and on the return of investment as well as the security of stockholders; i.e., profitability. In the Latin culture, management is regarded as an art. It is accepted that managers and leaders are not made, they are naturally born that way. If somebody succeeds in managing well in some area, there is a tendency to apply the halo effect and assume that this individual will perform equally well in any other managerial position. Because of this, it is common to see very young and sometimes newly graduated nonmature professionals in key positions in government and even in industry. Also, management still has some linkage to the "patron" concept and it in turn resorts to "macho" decisions; i.e., "You better do it because I said so and I don't have to tell you why."

Religion - The Latin culture is mostly shaped under the Catholic structure and the church poses a strong political influence. In the Anglo culture, most of the influence is from the Protestant religion, and the church does not have such strong political influence.

Adaptability - The Anglo people are harder to adapt to systems with different characteristics from their own. Their reaction is very typical of the "cultural shock" phenomenon; i.e., isolationism, denial of qualities of the host country, closing together in tight groups. The Latin people are more open, easier to adapt to changing situations and environments.

Table 2: Anglo vs. Latin Cultural Values

	ANGLO	LATIN
TRAIT		
Role of leader	Conductive, Normative. They encourage the bringing of problems and requests.	Mostly authoritarian leadership. Still predominant is the "patron" concept.
Nationalism	Based on principles of natural law and reason. Promotes national defense.	Heavy emphasis on achievement of economic goals and exclusion of foreign private capital.
Attitudes toward work	Viewed as a natural source of group survival and eventual well-being. Likes task related praise.	Not very prone toward work. Upper Class rejects manual work. Feudalists left strong influence. Like personalized interest and attention.
Nepotism in Government	Mostly impersonal. Usually geographic dispersion makes this trait less noticeable.	Typically, the values are judged by personal traits and family relations.
Productivity	Foremost interest is to achieve increase in productivity as well as quality products.	Foremost interest is to fulfill approximately a specified quota. Not too much concern for quality nor quantity. With an adequate reward system, productivity can exceed that of developed societies.
Motivation	To make money. Achieve job satisfaction. Have a say. Action oriented.	Achieve status and prestige. Make money. Make friends. Have fun. Develop interpersonal relations. Social Oriented.
Time treatment	Very concerned about time. Usually keeps appointments and dates.	Not concerned nor pressured by time. There is always a chance for "manana". Seldom shows to appointments and dates.
View of Management	A science based upon knowledge, discipline and experience. Decisions are weighted against its consequences in productivity.	An art (usually personal art), problems solved with high degree of subjectivity. Impulsiveness is very frequent and goes with "macho" syndrome.
Religion	Mostly Protestant.	Mostly Roman Catholic
Adaptability	Hard to adapt to systems with different characteristics to theirs.	Very adaptable to different and changing environments and situations.

These traits are summarized in Table 2. Examination of Table 2 indicates that the OD approach will have to be modified if it is to succeed in a Latin environment. Typically, OD is structured to place emphasis on the group, in team building, in improving communications. If that same approach is taken to a Latin environment, it simply will not work. The author proposes that OD should be modified so as to take into account the differences. As a result, emphasis will not have to be placed upon the group, but on the leaders, and after convincing them, they will support the effort and provide incentives for the subordinates to follow.

The author now will narrow his scope to focus on how to modify OD for its application in the Venezuelan Navy, as well as present its advantages and disadvantages.

#### B. WHAT IS THE VENEZUELAN NAVY LIKE?

In chapters one and two, the author offered several general comments describing some characteristics of and challenges facing the Venezuelan Navy. Before going further, some detailed information will be presented in order to help the reader to assess and understand the organization that is being addressed. The Venezuelan Navy and the Air Force are the two smallest services of the country's Armed Forces. Their combined manpower is composed of about 1,200 officers, 1,400 petty officers, 8,000 enlisted and 4,000 marines. Its fleet is composed of 56 ships, from frigates with SAM missiles

to torpedo boats, including submarines and auxiliary ships for personnel and material transport. It also has a Naval Air Force with helicopters and A/S Tracker planes. It maintains four naval bases in seaports and one in the Orinoco River. Its ordinary operating budget is about 100 million dollars, without accounting for any extraordinary additional credits.

The leadership is conducted by two senior officers, the Comandante General and the CNO, both Vice Admirals. The typical senior officer is a Naval Academy graduate, with at least a Bachelor's degree in either engineering or science, and graduate level degree (Master's mostly), either from civilian universities, War Colleges or military universities. Their main concerns are to improve readiness, achieve higher effectiveness, and to make the best usage of their human, financial and material resources. The main problems they face today are to cope with sophisticated weapon systems, both in use and being acquired, to reshape their training facilities, to develop highly qualified technical personnel to build enough and efficient technical facilities, and to have efficient logistics for keeping the systems going. It is within this context that the question appears: How could OD be approached to help the Venezuelan Navy to preempt and overcome its challenges?

### C. CHALLENGES FOR OD IN THE VENEZUELAN NAVY

The author has brought up many areas and ideas widely available for theoretical applications. Suggestions were made concerning its practical applications in real life situations. One interesting aspect of OD is that it has proved workable, subject to certain characteristics of the host organization. In reviewing the literature on OD, this author could find no documentation of OD experience in developing countries.<sup>13</sup> The introduction of OD supporting activities and goals has all the characteristics of a pervasive process. The reasons favoring a positive decision for this type of development are to provide enhanced organizational climate, improve effectiveness, increment commitment, optimize cost effectiveness, increase flexibility, and improve operational procedures. They have been widely reported and discussed; however, the practical results from these projects have either not been reported or have received less attention than the comments recommending them.

Even though the procedure used for each host organization in introducing some form of organizational improvement, is dependent upon its characteristics (size, complexity, structure, degree of formalization, culture, environmental

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<sup>13</sup>The author wants to emphasize that this does not imply that there are no such documents. It simply means that he was not able to find any.

setting, preparedness, etc.), there seems to be agreement concerning some basic steps. These steps are said to be found in the evolutionary process that takes an organization from one certain stage at a certain time, to a new stage in some pre-defined future time [Ref. 29]. Evidence reveals, however, that though the steps to be achieved are uniquely similar, the problems to be faced are not. This is especially true when the application of the process is in an organization with very traditional values, and furthermore belongs to a developing country. Such is the case of the Venezuelan Navy.

The main reason for this difference is rather simple but not obvious: the theory, the practice and the available statistical facilities have almost always been produced and applied first by developed countries and have had a mutually interdependent growth. Thus, each reached comparable levels of sophistication because any forward step by one focused attention on the need for more sophistication of the others. This has not been the case in Venezuela and by extension, has not been the case in its Navy. Several attempts have been made to implement some of the OD approaches but without a concerted or planned strategy. The results have been unsatisfied users, expensive and nonefficient solutions, and loss of confidence in further attempts. The most recent attempt on record for a general approach was the "Master Plan for Systematic Integration of the Navy" (Plan Maestro

de Sistematizacion Integral de la Marina - PMSI) [Ref. 7]. This was conceived under what could be loosely referred as an OD approach, but it failed to recognize the true needs of the host organization. Hence, the result was not a realistic assessment of either the problems, nor the flaws which created the need in the first place. Learning from the mistakes, the Navy realized that there was a lot of truth in the valid documents, but they failed to make the best use of them from an organizational standpoint. Since then, there have not been any integrated attempts to engage in any OD effort. This stems partly from the previous experience and partly because of the unwillingness on the part of the new leaders to engage in anything that might imply a new attempt to make a global change in the status quo.

With the previous information as background, the author proposes that before any other attempt is made to engage in OD designs, it is important to note that there are limiting factors to consider that affect the context of the design. First, not all organizations are culturally prepared for OD. Second, even when the organization is culturally prepared, only gross models are available for guiding organizational change. In effect, both of these limits on OD designs, demand high degrees of insight, sensitivity, and adaptability from those intending to apply OD designs in the Venezuelan Navy.

#### D. CULTURAL PREPAREDNESS OF THE VENEZUELAN NAVY

No available measurement instrument permits a judgement as to whether or not the Venezuelan Navy is culturally prepared for OD, but such judgements must be made. The advantage is that OD designs are applicable over a broad range of conditions in organizations with a diversity of missions, histories, futures and cultures. Knowledge of the broad applicability of OD designs is comforting for some purposes, but relying on these benign boundaries will be inadequate in the Venezuelan case for several reasons: First, conditions do exist under which a failure is most probable, and it is important to know those conditions. Second, specific designs (or packaged ones), may be more or less appropriate under various conditions. Finally, the conservation of internal energy encourages some awareness of the limitations which could reduce the possibility of success in specific cases. These imply then, that at least initially, change efforts could (and should) be concentrated in units or subunits where the probability of success is high. The OD approach seems more applicable under conditions of substantial tension in a system, such as those resulting from an organization's inefficiency, inability to adapt or change, or whatever. On the other hand, under very low levels of tension, as in highly successful organizations or units, the motivation for OD is likely to be low, even if concerned individuals correctly perceive the dark clouds behind the silver lining.



Typically, when this occurs, those issuing the warning are either not believed or simply ignored. Paradoxically, when tension in the system is extremely high, an OD approach may be sorely needed, but its probability of success will be low because the tension or threat is immobilizing.<sup>14</sup>

Even though it is implied that OD will only be focused on improving the processes, relationships, communications, and so forth, it is not intended to imply that it excludes application of OD when the processes are good. For example, if there is something new to the organization, like a new objective, task, or challenge that might require new processes, such change can also be helped by OD techniques. How? This is achieved firstly by helping to keep the same quality of work environment, while at the same time embracing and satisfying the new objective or change, and secondly by reinforcing the internal processes and helping with the external such as solving communication problems, conflicts and interactions.

Another important aspect of cultural preparedness is the quality of inter-unit relations within the organization. Given good inter-unit relations; i.e., low degrees of conflict or disruptive competition and high degrees of collaborative efficiency, an OD effort is not especially needed. On the

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<sup>14</sup>It is the author's opinion that the PMSI in Venezuela failed for this very reason.

other hand, when there is a deterioration in the quality of the inter-unit relations the need for an OD effort increases, as does the motivation to make it succeed. However, there is a certain nonquantifiable and often subjectively defined point where deterioration exceeds even the capability of OD efforts to help with improvement.

Remembering that this thesis focuses on a Latin American environment, the legitimacy of focusing on interpersonal and intergroup relations constitutes an important aspect of the organization's cultural preparedness for an OD application (for more details, see the section about Today's Society in Chapter Two, and about Values in Chapter Three). Where this legitimacy is already high, the need for, and impact of OD designs will be reduced. Up to a point, decreases in the legitimacy of dealing with human relationships heightens the need for OD, and increases the probability of its effectiveness. On the other hand, the legitimacy may be so low for enough organizational members so as to stymie an OD effort. Such low legitimacy might be expressed as extreme resistance to "probing or psychological aggression", or even as "violations of privacy".

Another dimension along which to assess the cultural preparedness of the Venezuelan Navy, and an important one, is the level of resistance of key officials. As before, despite the inability to be specific about what the words mean, "too much" resistance can mean the death of the OD

program or programs. This is true not only for key officials who formally control resources (material, financial, or information), but also includes those who are viewed as having informal power. Our culture attaches considerable legitimacy to any perceived as powerful figure, even when that figure's power may not be due to formal organizational position. At the other end, there may be no such thing as too much support from key officials. But excessively enthusiastic support by key officials may be interpreted by other organizational members as an effort to manipulate them. Then, for all that was said above, the author thinks that an approach to use for assessing the preparedness and initiating the effort should be to use as change agent somebody from within the organization--preferably someone from middle management--say, a staff man in personnel, data processing or finance. That change agent should be someone with the following characteristics: knowledgeable of the organization; conceptual, and skilled in the OD area; and have relationships with outside experts and organizations. Now, the person who can best satisfy that profile would be for example, in the military somebody with the rank of either lieutenant commander or commander. Why? Because most of the people that have been sent to graduate training are today within those ranks. Furthermore, the military provides the inside information, and the rank provides the organizational experience, credibility, leverage, and relationships. He then

can develop a relationship with some prestigious outside expert, while at the same time developing local support in his organization. At some point, while support is developing at lower levels, an effort needs to be made to begin developing support for continuity at the higher levels. One strategy for doing that will be to establish a series of briefings and presentations to the executive levels (captains and rear admirals). These would be relatively passive information exchange sessions appropriate for senior officers, who may be unaware or even hostile to OD. The overall progression then, will be one of reverse cooptation, or perhaps could even be called manipulation from below.<sup>15</sup>

This concept of the utilization of a change agent is, as presented in Chapter Three, a distinguishing characteristic of OD. Although this change agent should belong to the larger organization, say the Venezuelan Navy or the Ministry of Defense, it is strongly advised by the author that he be external to the particular subsystem initiating the OD effort. French and Bell (1978), stated that they were "somewhat pessimistic about the optimal effectiveness of OD efforts that are do-it-yourself programs" [Ref. 28: p. 16]. Also, there is a point about discussing external versus

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<sup>15</sup>Much of these ideas have been extracted from Dr. Reuben T. Harris' classes and lectures on "Management of Change in Complex Organizations."

internal change agents on economic grounds, but usually turns out that the external agents are preferable, at least initially. This way the resources and expenses needed to sustain an internal staff will be avoided. Furthermore, the Venezuelan Navy should assign an internal counterpart to interact with the external agent so that a learning process takes place. The organization would then gain expertise through the individuals involved. This expertise could be transferred overtime to other subsystems, eventually creating a group of qualified internal OD change agents who have detailed knowledge of the organization climate and culture as well as its people. It is important to note, however, that the operating base of the change agent must free him from the obligation to blindly support particular power groups in the organization. If this is achieved, a strong possibility for continuity will be accomplished.

OD tries to achieve teamwork in an organization through analysis of the team culture and by developing team skills in planning, setting objectives, and problem solving. This is done in order to increase communications and interactions between work-related groups, and to replace different areas of personal and sometimes conflicting interests, with ones of common interest and thus develop an awareness for the need for interdependence of action and the best efforts of all groups. This approach is consistent with the concepts taught at the Venezuelan Naval War College, but the author's

experience has shown that theoretical concepts have been hard to implement in the Venezuelan Navy. It will be successful only if enough key individuals can be convinced of its pay-offs and how it might benefit them in their professional careers.

#### E. FACTORS HELPING THE INTRODUCTION OF OD IN THE VENEZUELAN NAVY

There are several positive factors which encourage the introduction of OD, namely:

1. Support from senior officers.
2. The recent reduction in the nation's income.
3. The size of the Venezuelan Navy.
4. Manpower problems.

Each of these is explained as follows:

1) Support of Senior Navy Officials - OD efforts to be successful in the Venezuelan Navy's environment, require a formal mandate by top leadership. Top Management has shown some interest in getting into new programs and also has demonstrated a desire to improve the organization effectiveness. There has also been growing concern into utilizing sound modern managerial skills and to incorporate new organizational techniques and innovations.<sup>16</sup>

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<sup>16</sup>The author wants to indicate that the actual Navy policy has signaled "Organization Theory, Management Science and Management" as one of the Manpower Education and Training priority areas.

2) The Recent Reduction in the Country's National Income - This fact, created by the recent oil glut in the industrialized countries, has created a need for redimensioning of several programs, goals, and objectives which in turn will create a need for changes. Some of the changes may be of major proportions. Reductions in budget will force higher productivity, or at least maintaining the present rate, while inputs are held constant or perhaps lowered. This situation alone creates a fertile ground for the OD approach because it offers a means of maximizing the organization's potential in several areas such as manpower, logistics, and finance, while at the same time reducing sources of vulnerability.

3) The Size of the Venezuelan Navy - The Navy is, with the Air Force, the smallest component of the Venezuelan Armed Forces. It consumes, then, less material resources and utilizes less manpower than the other services. Also, the Navy has less complicated chains of command and less complex communication channels are needed to keep a coordinated and integrated system.

4) The Manpower Problem - The Navy has been experiencing increasing personnel unrest that increases the vulnerability of losing its valuable human assets. Most of this unrest is attributed to low pay, and sometimes lack of opportunity for advancement. Discipline is growing harder to sustain because the private sector is a strong magnet for those capable individuals who run into some kind of disciplinary problem.

They typically resign or quit the service and move out into the private sector. OD can help because one of its objectives is to ease and allow communications to flow both ways, upwards and downwards. This will allow the commands to have managing flexibility so they can circumvent problems. Also, as OD deals with improving the organizational climate and the work environment, it can help to resolve problems.

#### F. FACTORS IMPEDING THE INTRODUCTION OF OD IN THE VENEZUELAN NAVY

There are some negative factors which go against the introduction of OD, namely:

1. Organizational structure.
2. Compliance with traditional leadership.
3. Budget and resources limitations.

Each of these is explained as follows:

1) Organizational Structure - Even though the Venezuelan Navy is one of the two smallest components of the Armed Forces, it still must coordinate activities and efforts, and assure interaction and communication between numerous complex and very diverse elements in order to accomplish its mission. To achieve this, the Navy possesses an organization structured as a hierarchical bureaucracy. The chain of command is firmly delineated and its employment is emphasized in a very typical pyramidal structure. The organization places a central emphasis on efficiency, task specialization and task interrelationships. These traits, as well as the motivational



devices of extrinsic rewards such as income and status, the structured and systematic form of rationality for organization control, allow a tendency toward scientific management.

Within the Navy, promotions are a function of past accomplishments, merit and certain minimum time requirements at each hierarchy or rank. The formal authority is a function of rank, and command and sea duty positions are usually considered as career-enhancing. From here, leaders in the organization view organizational conflict as something bad, unhealthy and reflective of leadership failure. This poses a problem for OD because successful OD programs depend upon an open recognition of conflict as unavoidable in organizational life and a desire to positively manage conflict situations [Ref. 32]. Also, the rank structure of the Venezuelan Navy's hierarchy can contribute to deter success of introducing OD. Rank determines position of authority in general; then, if lower echelons in the hierarchy are resistant to the philosophies of OD for any reason, it can create frustration for the commander. He might have to assume a high degree of confrontation, which eventually might lower (in his perception) the morale of his unit. He usually would settle for keeping the status quo rather than "rocking the boat".

2) Compliance with Traditional Leadership - The Navy has come a long way since its creation, by following a traditional style of leadership, based upon the fundamental rule of obedience to the dictates of superiors, as is written in

the Organic Legislation of the Venezuelan Armed Forces. When any individual joins the Navy, he swears to defend his country and to be willing to die for it if necessary, in order to accomplish his unit's mission. This concept has been historically tested in real situations and has worked. Hence, Navy leaders will be reluctant to depart from already deep-rooted and tested leadership and command styles. Because of these concepts, most of the need for leadership is placed in those that will perform the planning of operations or activities, and in those that will lead the execution phase because everything else is based upon following orders. This approach has allowed the Navy to keep tight control. Perhaps some leaders might appear to feel that more collaborative methods will undermine their position and loosen their control on the unit's operation and performance. As leaders can delegate authority, but still are held responsible for the success or failure of their organizations, they tend to keep a very tight grip and consequently fear leadership methods which they perceive as threatening to their personal control. There is a reluctance of some leaders to consider themselves as managers because they must lead and make decisions, where a manager may use group decisions to help him decide what to do. Even though this perception may be erroneous, the syndrome in the Venezuelan Navy that a leader personally controls and solely directs does appear to exist. As a consequence, OD will have problems because

leaders will be hesitant or reluctant to request unit-wide input for fear of arousing suspicions of weakness, uncertainty, lack of decision ability, and lack of professional knowledge.

(3) Budget and Resources Limitations - The Venezuelan Navy allows for a very conservative and slow natural growth (about ten percent per annum), and then the introduction of a widespread OD effort could be severely limited by resources' constraints. The Venezuelan government developed a five year plan, where resources for the public sector's organizational improvement and renewal are allocated. An attempt could be made to allocate the funds for OD under this plan, but this will require the commitment of several key senior leaders willing to engage in a congressional fight and to counter-argue whatever objections the other services might bring up regarding the use of these resources. This approach will be successful only if enough high ranking officials could be sincerely convinced and willing to commit themselves to a long-term effort. At this time, this is not very likely to occur.

## V. CONCLUSIONS AND RECOMMENDATIONS

### A. VALUE OF THIS STUDY

The author concludes that any immediate attempt to engage in OD in the Venezuelan Navy, as it is typically practiced, will be doomed to failure. Even if the adaptation process takes place (tropicalization), there is still a big effort required to achieve the cultural preparedness of the organization. OD efforts, as generally practiced in civilian settings, encourages open discussions of conflict, and actively strives towards collaborative management, where the Venezuelan Navy has its own strict traditional leadership methods. While there may exist a thin veneer of collaborative leadership, because of pressures, uncertainties, and lack of continuity of leadership, traditional leadership remains the norm and practice just beneath the surface.

The author also believes that even though "textbook OD" could not be applied directly, it does contain two important concepts which would be immediately beneficial for the organization as a whole, namely opening and expanding increased channels of communications and developing a more enjoyable and challenging working environment. As for the first, it would mean opening channels of communication via frank and honest discussion of local unit problems. This will require skillful management by trained discussion leaders. Hence,

the organization should devote part of its resources to train individuals on conflict resolution and team building activities. For the second, this will mean that as a result of every individual knowing that he has a say in the organization and that he is considered to be an important link of the chain, will give more meaning to his job and also will help to fulfill the need for self-esteem and recognition for all officers, noncommissioned officers, and enlisted personnel.

The combination of the two preceding implied benefits indicate a need for the organization to train and prepare individuals in "Human Resources Management", as well as for including formal courses of "Behavioral Science, Leadership, and Organization Theory" in the curricula at the Naval Academy, and to expand those at the Venezuelan Naval War College. If this proposed scheme is followed, the organization will have developed in a period of four to five years, enough human resources knowledgeable enough to conduct, implement, and evaluate OD efforts in a gradual basis as well as in a contingency basis.

The underlying groundwork for starting the whole process, will be to follow some simple OD concepts, namely a three-step procedure: (1) assess the actual situation (either by surveying or other diagnostic techniques), (2) define the desired future state, and (3) elaborate the transition state lying between the present and the desired future, taking into account the time constraints as well as the

contingency plans to preempt and solve any possible critical derailment or abnormal situation that might arise. Concurrently, get as many key individuals committed as possible, and preferably choose them from different seniority, different specialties, and different hierarchies and status groups, meaning basically to obtain a diagonal slice of the organization committed to the plan. If these suggested steps are followed, it will provide the basics for strengthening the factors that will help to get OD working in the Navy and to weaken those factors and individuals opposing it.

The author wants to emphasize that the time has come to attempt engaging with OD in the Venezuelan Navy. It should also be stated that beyond any doubt in the author's mind, that if an attempt to start an OD program is undertaken without taking into consideration the many socio-cultural differences that make Latino different, the whole effort will be doomed to failure. The recommended approach would then be to follow what was stated above, focusing initially on highly visible, success-prone situations and then after each successful result, turning to more ambitious programs.

In spite of the fact that resources are limited, now is the time to start the OD effort. Partly because of resources being limited, the organization is not growing; i.e., will not have the turbulence of growth, expansion, and change. This will give the chance of getting OD in the organization, when there is time to think about it, to digest it, and to

measure its potential advantages. All of this could be done before the things turn around and the organization continues to grow, without having created the capabilities to cope with that growth more effectively. This last statement implies that the organization should have OD in place, tested, accepted and working to improve the organization before the new demands on the organization arise.

The author emphasizes again that the process suggested in this thesis does not imply a huge monetary investment; he is talking about a few people who can help the leadership now, and in the future to help them move into that future.

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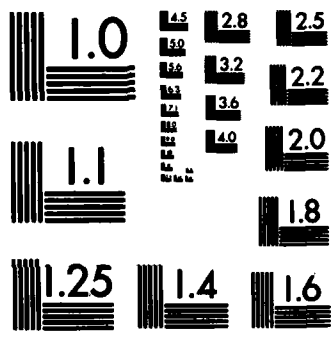
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