Chapter 1- Introduction

The purpose of the study is to diagnose the selected organisation and to recommend appropriate intervention strategies. Diagnosis can be a process that helps organisation to assess and change dysfunctional aspects of their culture and patterns of behaviour as a basis for developing greater effectiveness and ensuring continuous improvement (Beer and Spector 1993, p. 642). The diagnosis will serve as a base for intervention strategy in the organisation, which is a part of Organisational Development (OD).

1.1 Purpose of the Study

The purpose of this study is to answer two research question. The research questions according to Chan (2001) are:

RQ1 : Is the organisation viable towards change ?

RQ2 : Is the organisation functioning effectively ?

Five proposition has been formulated to answer the above research question(Chan, 2001). The propositions are as below.

P1 : The organisation maintain its stability through the process of self-actuation, $\mu = 4$ or $\mu > 4$.

P2 : The organisation is able to survive under change through actor system adaptation, $\mu = 4$ or $\mu > 4$.

P3 : The organisation structure is able to survive change through its dissipative structure, $\mu = 4$ or $\mu > 4$.

P4 : The organisation viable according to the six level organisation diagnosis, $\mu = 4$ or $\mu > 4$.

P5 : The organisation management system is sufficient according to the ISO 9001:2000 international standard, $\mu = 4$ or $\mu > 4$.

1.2 Significance of the Study

The study would enable people in the organisation to look at their strength and weaknesses from the diagnosis. Recommendations would give them an idea of

what can be done to improve the organisation conditions. Intervention strategy that is presented can be use by similar organisation as a guide.

The paper would also be beneficial for those who would like to go through the process of using the Soft System Methodology (SSM) by Checkland in solving soft problems. The research goes through real world and the system thinking part of the SSM cycle in order to gain an insight in the problems or situation in the organisation before designing intervention strategy.

1.3 Overview of the Study

In the inquiry stage for the real world, the six level organisational diagnostic, self-actuation diagnostic, organisation dissipativeness diagnostic and the actor system diagnostic (Yusof Omar, 2001a, 2001b, 2001c) was used. The ISO 9001:2000 standard criteria are used for the system thinking inquiry.

The study was conducted for division PTD in a multi-national organisation. X Engineering Sdn. Bhd. has started operating in since 1986 as a regional office in Malaysia. Following the increase in the economic growth in Malaysia the regional office have been reassign to take care of only businesses in Malaysia in 1993.

The division is a business unit, which focuses on power transmission and distribution businesses. It supplies equipment and services to power utility company and private customer. One of the major project that has been handled by the division is the 300MW High Voltage Direct Current (HVDC) substation connecting Malaysia and Thailand. This project is the first of its kind in Malaysia.

The division in study comprises of three departments. The H department deals with high voltage substation, from 66kV to 500kV. The M department deals with medium voltage substation, from 3.3kV to 33kV. Lastly the S department deals with power automation, which supplies substation control system for the high voltage and medium voltage substation. Altogether the H department has thirteen employees, M department has ten employee, S department has ten employee and the management of the division has five employee. The total number of employee in the division is thirty-eight.

1.4 Limitation

The study was conducted in a relatively short period of time, which cause the observation could only be done in the division of the observer. Even though if time was permitted it would be difficult to observe and diagnose other business unit in the company because of the relatively closed concept of the divisions. The limited subject for observation has made it difficult to adopt additional statistical tools to enhance analysis of the data.

1.5 Organisation of the Study

Chapter 1 is the introduction to the research, which consist of the purpose, significance of the study, overview of the study, the scope of the study and the limitation. Chapter 2 covers literature review on various relevant subject to the study. Chapter 3 presents the research methodology. Chapter 4 presents the research results, observation analysis and summary of results. Chapter 5 presents the conclusion and recommendation.