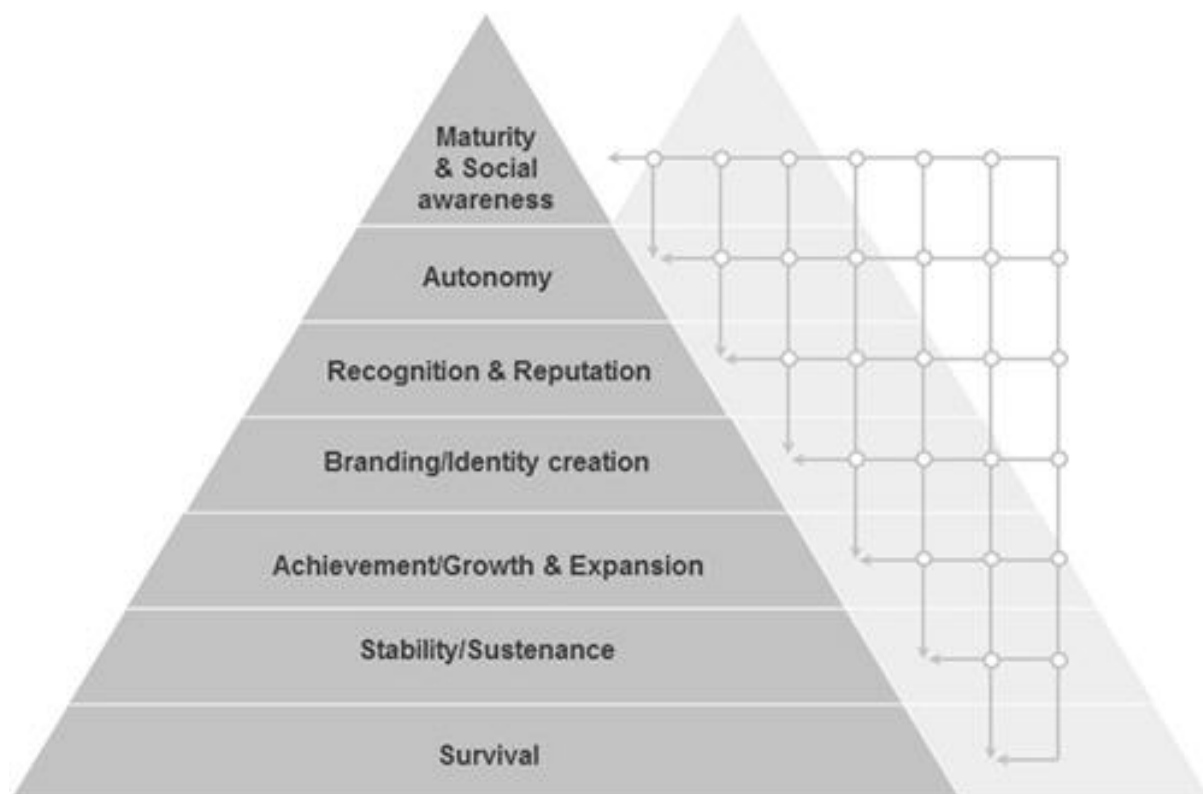


Organisation life cycle

Organizations across the world have one aim in common, and that is growth. Growth can mean different things to different firms; for some it is about diversification and economic prosperity and for others it could be brand and client creation. The goal for growth depends on which stage of the life cycle the organization is at, and which stage it is looking at accomplishing.



The Organization Life Cycle Model shows the various stages which are prevalent in the growth of a company's life cycle. This is not to say that a company necessarily progresses from one level to another, but it is more of a hierarchy, which can mean that depending on performance and external environmental factors which can hamper or aid an organization's growth, a firm can easily slip back down to one of the earlier levels or jump to the next level without much effort.

The Organization Life Cycle Model has 7 stages of development. It begins with the most basic of states, which is Survival, and then moves onto Stability and Sustenance, followed by Achievement and Expansion, Branding, Recognition, Autonomy, and finally comes the stage of Maturity and Social Awareness.

Each of these stages can be better understood by looking at the symptoms that characterize each one. The first stage in the Organization Life Cycle is Survival. Survival is the most basic instinct of a human being to survive in his or her environment. Just as the basic human needs includes food, warmth, water, and other bodily needs, an organization at this stage is looking at fulfilling its basic needs in order to be able to survive in a highly competitive open market.

Stability and Sustenance come second; they refer to an organization's ability to maintain its space in the competitive sphere of that industry. They also refers to the financial stability of the organization.

Three main categories:

Branding is the next level; this is an important level in the life cycle of an organization because here the organization is building its brand value and credibility in the market space. Once an independent organization has stabilized itself and has learnt to sustain itself in the market place and has created a clientele, it establishes a niche, which is the Branding stage. A firm may use Advertising and PR extensively at this stage.

Once an organization's goal of brand credibility is complete, it must aim at gaining recognition and living up to its reputation, which can be a very delicate matter. This denotes the next level – Recognition. Recognition is the next step that an organization strives towards, where it aims to build a reputation in its industry and to live up to the brand name and reputation it has created.

The penultimate level in the life cycle model is Autonomy. This step in an organization's development is characterized by self-governance and independence. This is when the objectives and goals of a company are clearly outlined in the DNA of the organization. Here the stakeholders in the various departments gain autonomy and learn self-governance. At this stage the organization is an autonomous body.

The final level of development in the Organization Life Cycle Model is of Self Actualization and Maturity. 'What a man can be, he must be', is the way Maslow expresses it; in short, the state of self-actualization is when a being, human, or organization reaches its maximum potential. Maslow's describes self-actualization as being: 'an episode or spurt in which the powers of the person come together in a particularly and intensely enjoyable way, and in which he is more integrated and less split, more open for experience, more idiosyncratic, more perfectly expressive or spontaneous, or fully functioning, more creative, more humorous, more ego-transcending, more independent of his lower needs, etc. He becomes in these episodes more truly himself, more perfectly actualising his potentialities, closer to the core of his being, more fully human. Not only are these his happiest and most thrilling moments, but they are also moments of greatest maturity, individuation, fulfilment – in a word, his healthiest moments.' To draw a further analysis to

organizational development, this is a state at which the organization is at its healthiest. Growth, expansion and profitability take a back seat and social issues and conditions come to the fore. Self-fulfilment becomes important and takes precedence over the trivialities of production.

The Organization Life Cycle Model is an important diagnostic tool for a firm to understand and identify where it stands, where it has been, and where it wants to be, because you can't know where you want to go if you don't know where you have been.