

The history of the managed organizational change business essay

[Business](#)



Name Course Instructor April 8th 2013 Outline Abstract Discussion Drivers of change Agents of change Which of the perspectives on managed change is most appropriate to Clemenger? Dunphy and Stace's five dilemmas of change What form of strategy is evident in the case? Understanding of the role of organizational culture in the management and implementation of changes there empirical evidence for the causes, processes and consequences of change in this case?

Conclusion References Abstract Clemenger BBDO is a good example of how successful management of change is important to any company in order to exist and succeed in the present highly evolving and competitive business environment. When Biggs took over management at Clemenger, the company made a significant turnaround, which was attributed to a new style of leadership that successfully managed change. This paper will analyze the main features of the managed organizational change at Clemenger BBDO.

Discussion Change simply means the simply modification of a process or structure of a system. Change might be good or bad for a company, but changes are done to accomplish the organizational goal at the right time. Companies are always evolving politically, socially, and economically and they are constantly looking for new and better way of doing things. And since the need for change in a company is normally unpredictable, it tends to be discontinuous, reactive, ad hoc and frequently prompted by a situation of organizational crisis. In 2005, Clemenger BBDO experienced very serious financial trouble. The company was on the verge of bankruptcy. However, Clemenger brought in Biggs, and under his new management, the company made a successful turnaround. Biggs believed that the company had become

unimaginative and lazy and had failed to adapt to the changing business environment. However, Biggs's efficient skills in improvising, and his informal and hands-on leadership style made the turnaround possible. Drivers of change

Changes come in various forms and Biggs in Clemenger sought ways to improve strategies and transform the business operations in order to enhance growth. The drivers of change in Clemenger are: re-engineering business process, change in strategy, and corporate culture. Biggs substantially changed the business process, corporate culture and change in strategy by successfully taking risks, encouraging his staff to be creativity by opening up and encouraging them to share ideas and interact with one another and even their clients, and when he transformed the self-focused, individualistic culture into one which encouraged collegiality and generosity. The result of this was a happy, motivated and creative staff and this led to significant growth and new clients and business. Another significant driver of change was the need to put the client first in the center of the change equation and the need to over communicate to customers, employees, and stakeholders that the change could be successful. Agents of change

According to (), each organizational change, whether big or small, needs one or more change agents. A change agent is anybody who has the power or skill to kindle, facilitate, and coordinate the change effort. In the case of Clemenger BBDO, the change agent is Peter Biggs, because he is the person who undertakes the task of initiating and managing change in the company. In his capacity as a change agent, Biggs carried out several roles: consulting, research, and training. In his consulting role as a change agent at Clemenger BBDO, Biggs placed the employees in touch with what was

happening out there, and took them through the process of generating data from within the company. The overall goal of his role as a consultant was to help the employees of the company find solutions to problems through analysis of data. By doing so, Biggs was able to put in place a clear strategic direction and rigorous financial controls by working close with the group account and finance personnel at Clemenger. In his training role as a change agent, Biggs functioned as a trainer. In this capacity, Biggs helped the employees, and directors to learn how to use the data, or information he obtained to effect change. In this case, Biggs, as a change agent had a dual purpose as a trainer: (1) to provide the employees and other directors under his leadership with a new set of skills (such as how to fully unlock their creativity potential), translate, and use the information to solve any future problems and (2) to help employees and other directors derive implications for action from the present data and information. Biggs managed to do this by encouraging the employees to share ideas and interact with each other and also with the clients. Lastly, in his research role as a change agent, Biggs trained or showed the staff and others involved in Clemenger the skills required for valid assessment of the efficiency of action plans, which he implemented. In addition this, as part of the overall intervention tactic, Biggs designed several strategic plans, which he used in solving Clemenger BBDO's current and future problems. The result of this was an effective transformation, from a business and culture perspective. From the business point of view, Biggs was able to manage change by implementing new strategies, and from a cultural perspective, he did so through his informal and hands-on approach. According to (), a greater approach to change is a

situation where companies and their employees continually sense, monitor and respond to the internal and external environment in small steps as an ongoing process. In his capacity as a change agent, Biggs successfully managed to motivate his people not to be scared of taking risks and not to be too inward focused, and the result of this, was a happy and creative staff, which immensely contributed to Clemenger's success in attracting new clients and business and growing its existing business. Which of the perspectives on managed change is most appropriate to Clemenger? For the Clemenger case, the most appropriate perspective on managed change is the prescriptive approach or planned change. This approach was first coined by Kurt Lewin to differentiate change that was consciously embarked on and planned by an organization, as averse to forms of change, which may come about by impulse, by accident, or that may be forced by an organization (). Since the prescriptive approach first mentioned by Lewin, numerous models have been developed. However, they all take a three stage-approach that consists of unfreezing existing behavior, changing behavior, and refreezing new behavior. When examining Clemenger's case, Biggs managed to stop the existing behavior (he changed to individualistic self-focused culture into one that prized collegiality and generosity), he changed behavior (he changed the way Clemenger as an organization was managed), and refreeze new behavior (where employees were not afraid, they were actually encouraged to take risks). However () affirms that the prescriptive approach can fail if the environment is turbulent, and the new management is unclear, and as a result the company cannot move from one state to another. () also insists that where significant learning of new methods is needed for the new

situation, it might not be clear when the new refrozen state has been reached. It may also be unrealistic if the politics within a company remain in instability, which means the agreement on the new refrozen state is possible. However, the planned approach seems to be a coherent approach to change and this is evident when examining Clemenger's case. Biggs change at Clemenger was a success because his approach was that the company managed to enjoy growth and financial return with a reputation through being continually innovative in reaction to the changing market environment. Dunphy and Stace's five dilemmas of change Dunphy and Stace () identify five dilemmas, which have characterized decisions regarding organizational change: cultural change v structural change; adaptive v rational strategy development; continuous improvement v radical transformation; economic v social goals and economic v social goals. Hard approaches to managing change are characterized by structural change, rational strategy, leadership and command and radical transformation. Soft approaches to managing change are characterized by adaptive strategy, continuous improvement and empowerment. In Clemenger's case, Biggs implemented a mixture of hard and soft approaches to managing change at the company. Biggs implemented adaptive strategy, continuous empowerment and improvement, cultural change, structural change, radical transformation, and rational strategy. For instance Biggs transformed the individualistic culture to one that encouraged collegiality and generosity among the employees. What form of strategy is evident in the case? Examining Clemenger's case, it is apparent that Biggs used an adaptive strategy where he adapted to changes in the company's environment

through taking and implementing strategies which significantly altered the structure, and processes within the company. Because Clemenger was almost bankrupt, Biggs had to use an adaptive strategy of reinforcing existing resource base by doing some relevant cost cutting measures. Because the best employees had resigned, Biggs did not hire new employees, and instead focused on team work, tapping into and unleashing the wealth of experience and expertise that existed in the current employees at Clemenger. Furthermore, by using an adaptive strategy which bordered on focused on strategic issues, Biggs was able to motivate his staff to take advantage of the opportunities in the company and the result was the employees comfortably working with new and existing clients, and thus, business greatly improved. Therefore, there is significant evidence of strategic intent and strategic thinking, which is most evident when Biggs motivated the employees to take risks, adapt with times, transforming the culture, cutting costs by improvising, responsible financial management, and the effect was the company's success. Understanding of the role of organizational culture in the management and implementation of change

After examining Clemenger's case, I have understood that organizational culture significantly influences the likelihood of success for change strategies. Biggs implemented a culture that was prized on collegiality and generosity at Clemenger which successfully worked unlike the individualistic and self focused culture that previously practiced in the company. The employees enthusiastically implemented this culture and the result was a highly motivated workplace. From this case, I have also understood that cultural insight provides awareness of the extent to which

an organization's members are ready to accept change, and secondly, a cultural evaluation is highly likely to determine the main cause of the problems, which impede an organization's strong performance. Is there empirical evidence for the causes, processes and consequences of change in this case? In Clemenger's case, there is empirical evidence for the causes, processes and consequences of change. Clemenger is a good example of how organizations facing numerous challenges can overcome them through successful managed change. Biggs, as a leader, is also a good example of how a company, through efficient leadership, strategic approach to calculated risk taking, and responsible management can succeed. What's more, the statements from the Clemenger's case fit a prescriptive model of how change should happen in an organization. Despite the fact that Biggs practices an informal leadership style and relaxed approach, he still managed to deliver in terms of steering Clemenger forward. Conclusion From the Clemenger's case, it is evident that successful management of change is important to any company in order to succeed and survive in the current very competitive and continuously evolving business environment. Clemenger BBDO is an epitome of how companies facing problems can prevail over them by implementing efficient management change.