

Chapter 12 summary (managing change and innovation)

[Business](#), [Management](#)



Project book: Arab World Edition Management by Robbins, Coulter, Sidani, Jamali provide summary- Understand the meaning and the importance of the org. change

Organizational change is the process transformation an organization goes through as it metamorphosis's from one state to another. This occurs when an organizations about to change or alter its business strategies or major departments/ sections of itself. The process also goes by other names such as reorganization or restructuring or turnaround. The successful handling of this process is crucial to the organization so that it cannot just survive but also succeed. Change is not only necessary but also compulsory for every successful organization due to the highly competitive and ever evolving business environment.

Explain Lewins three-step model of the change process

Unfreeze

This is the very first stage in the change process. It requires preparation of the whole organization in readiness for change. The need for change needs to be acceptable to al stakeholders so that they all feel that the current state of the organization needs to be broken down and changed.

Change

There will obviously be a lot of uncertainty created during the unfreezing period as new ways of implementing things are put into place. However, people will soon begin to believe in the new changes and adapt to them and the organizational culture will begin to change.

Refreeze

This embracing of the new ways of operating means that the origination will be ready to refreeze. The organization needs to have stability in its organizational structure and its job descriptions. says that support the new direction.

Describe the three types of management-led organizational change

1. Restructuring of business strategies: this is the changing or altering of the way businesses conducted in an organization.
2. Restructuring of organizational culture: the way a people interact and do business within an organization is unique to that particular organization.
3. Restructuring of an entire organization: this is the complete reorganization of functions and processes in an organization.

Describe why people resist change and the technique for reducing this resistance

Poor Communication is one of the reasons for resistance to change in an organization. The news of change whether through informal or formal structure within the organization may sometimes be disseminated in a skewed manner so that there is miscommunication. This can cause serious resistance to change.

Self-Interest among employees who may feel that their interests are under threat and wanting to protect their own interests over those of the organization as a whole may also be another source of resistance.

Alternatively employees may simply resist change because they feel excluded from the decision making process and therefore resist out of offended.

Lack of Trust is very detrimental in an organization because it means that decisions will not be accepted at face value as having been made out of good faith and will most probably face resistance. People are also very resistant to mastering new skills as they feel out of depth and incompetent especially in the area of new technology.

Identify the challenges of changing organizational culture

Resistance to change is usually due to:

1. Preexisting loyalties within the organization

Resistance to change

Insecurity

Preference for the status quo

Personal ambitions

2. Fear of change:

Loss of power

Loss of skills

Loss of income

Fear of the unknown

Inability to perform as well in the new situation

Break up of work groups

Describe the structural, cultural, and human resource variables that are necessary for innovation

Structural changes within an organization can serve in initializing a shift in culture.

Organization stakeholders may be more inclined to accept change if the organization's culture matches and is in line with the stated vision, mission

and goals of the organization. The best way to achieve organizational change is by having a common vision for change. There should exist no competing initiatives, which can only be achieved through involving all stake holders through:

Executive leadership communication of the vision and need for change.

A strategy for updating employees on change

Measuring the change process and follow-up plans

Rewards both monetary and social, to encourage individuals and groups