

# Change model analysis essay samples

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Organizational strategy and behavioral patterns, components and models associated with it have been in the focus of the studies for significant period of time. Every company is playing on specific market, whether local, national or international, and, thus a subject to change and adaptation process. The purpose of this document is to analyze the change models applicable to the situation in which XYZ company found itself, once the international strategy was formulated.

At this stage it is important to mention that Shanghai office will become in its way a pilot project that will further build on the strategy of internalization.

With that in mind it is possible to look at the establishment of the Shanghai office as an operation change step within strategic change management.

Operational changes have several characteristics that should contribute towards the decision in regards to the change model applicable and effective in the case. First of all, as an executive, I should outline the type of the project as new. This will raise the issue of awareness and importance of managing the resistance to change among the employees. To address such elements the company should be able to develop a robust communication and information flow plan. Secondly, being small scale the project will still involve organizational culture change as the company will go global, bringing multinational element to its structure. In terms of operational and strategic elements this multiculturalism will include a number of challenges related to bureaucracy and relationships management in the company. Finally, XYZ will have to actually go through structural change to bring into and adapt new organizational element, such as overseas office location.

As we determined that opening the Shanghai office will become a first step

on the way for internationalization, it is possible to outline this step as a milestone of a larger project scale that will enable the company to go international through the access to BRIC markets. With that in mind, we will further refer to BRIC expansion as strategic project and to Shanghai office opening as pilot milestone. Core issues on strategic project will be related to awareness, knowledge generation and transference of core capabilities to new operations overseas. The project will not only include current organization but will also involve new stakeholders that will have to become a part of organizational change.

The success of the entire project will depend on the ability of creating the awareness of change and the buy-in from the people involved; internal capabilities and effective leaders that can make the change happen; clear communication strategy and channels to bring the vision into action; contingency planning and milestone development and ability to turn the success of the change into sustainability.

What does the company need to take into consideration when building its actions around the change management? In his analysis of the organizational change, Goodman (1984) argues that the company should look at two variables, organizational characteristics and structure of change. These variables affect the models that can be applied for a specific change. Given the scale of the strategic change, it is critical to apply a top down approach to the choice of appropriate model that will outline the impact of both variables and then move down the hierarchical ladder. In other terms, it is important to identify the change management project for the strategic project and then determine applicable models for the pilot milestone.

Having analyzed existing change models for long-term sustainability, we believe that one of the most effective options would be the 8-Step Change Management Model, first formulated by John Kotter. This choice is justified by the fact that the model offers all-around analysis and visibility of the change process with easy-to-follow structure. Additional benefit of this model for XYZ is the fact that it focuses on human factor and organizational and individual preparedness for it. This is critical as the project management itself is not new for the executives, but the acceptance and preparedness for this specific change has to start from scratch. Kotter (1996) suggests that to implement the change successfully an organization has to go through eight critical steps between the ideas of change to the creation of sustainable new process. In the scope of XYZ, this model can be applied for the management of the strategic project change.

First step would be to ‘create urgency’. For the specific project that would be related to the outlining the benefits of expanding the business overseas and highlighting the opportunities that the organization will create, should this project be implemented. This step should present the scope of change, analysis of the risk and opportunities of entering other markets and explain the reasons of the pilot milestone change. At this stage change agents, who will include leadership team, should open the doors for communication with internal and external stakeholder.

Second step in Kotter model is to ‘form a powerful coalition’. For XYZ organization it will be necessary at this stage to focus on identifying its key stakeholders, internally and externally. As a leader of this change process, responsible for the implementation strategy I will ensure to select a

leadership team with required set of skills, such as international experience and multicultural background. It will be necessary to find an expertise on a local market, which will come from hiring local sales team with understanding and insight to the characteristics of each entry location within BRIC.

Next element is the vision of change that is presented in two steps of the given model: creation of vision for change and communication of this vision.

Project leadership team will formulate the international strategy and set clear and reachable financial and commercial expectations. Such expectations, among others, will include expected market share for each of three product lines of the company, competitive advantage analysis and expected profit evolution for the long-term market penetration strategy.

Further step is the communication, which is probably, the most critical for the success of the strategic project. Clarity and transparency of the strategic goals have tremendous influence on the managers and executives in the company as this stakeholder, even not being directly involved in the change management, will become the change agents through delegation of strategic goals to functional and divisional level and transforming the change goals into operational and tactical objectives across the company.

Fifth step of the model suggests the removal of the obstacles and in the given situation it will be the finding of required skills and capabilities to lead the change that XYZ leadership team will focus on. Further step, according to Kotter is the creation of smaller wins and this is where the change models for pilot milestone step in. Success of the Shanghai store opening is the key to the success of the entire strategic project as it should become a 'quick win'

that stakeholder will need to buy-in to the project itself.

Final step in this change implementation adventure that actually differentiates short-term small scale change from complex long-term change management is the achievement of sustainability. Based on the chosen model for strategic project this goal is achieved on the seventh and eighth steps respectively. First the company will need to build on the change, meaning that successes achieved on the first phase of the project, such as effective operation in Shanghai and best practices from first overseas stores, should become a routine and be utilized by the company sustainably (Sadler, 2003). For this, XYZ can apply Kaizen continues improvement model. Finally, when the change is implemented it is critical to build these new elements into the existing XYZ structure, culture and operational procedures. Kotter calls this step ‘anchoring the change’. For XYZ this anchoring will result in developing worldwide standard operational procedures, communication channels, systems and other critical elements.

## References

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