

What drives organizational change



When a business first enters into the market the organization develops goals and missions that they have set forth to achieve. However, during the lifetime of the company there are many internal and external factors that can affect the company from reaching their goals and achieving their set forth mission. As a result a company may have to enforce organizational changes to help the company stay on track to accomplish their future mission and objectives.

Also to help companies achieve their desired mission and future objectives, this may have been affected by the internal and external factors that have arisen, and unless changes are implemented may no longer be attainable. The factors that can drive organizational change include technological developments, the economic environment, social cultural changes, and political and legal developments. Factors That Drive Organizational Change Technological developments are a factor that drives for organizational change.

The Internet is constantly changing allowing more opportunities and connections throughout the world, allowing consumers and other organizations to communicate and conduct business through the Internet regardless of what country the company is located. As a result a company may be forced to adapt and change the company's current plan to stay competitive within the market and make the most of the advancements that other companies are using to stay competitive. As well as keeping up with the consumer needs and preferences, as some consumers may use the technological advancements to his or her advantage to purchase products and services.

However, if the company does not become accustomed to the technological changes and develop a plan to drive organizational change to utilize the technological advancements to their benefit the company could result in losing consumers. These consumers could go to competitors who have adapted to the developments and understand and offer the demands and services that customers are looking for. For example, when the Apple iPhone was launched it required a total different operating system to activate the devices than what the AT&T was currently using.

Because of this the company had to implement and teach employees how to use the new software program so consumers who purchased an iPhone would be able to receive the assistance they needed to activate their devices. Without the system the only other option was to go through Apple's website, which was constantly crashing because of the high demand and caused some consumers to return their devices. With the new operating system the customers have more than one way to activate their devices and can choose which option he or she prefers.

The economic environment can lead to changes as more countries are developing and entering the market creating more competition. As competition increases developing countries are available in higher numbers offering labor and services at a fraction of the prices compared to the rates in the developed countries. As a result organizations may enforce changes to increase " higher production speed, lower production costs, better product quality and/or being more oriented to the (end) customer" (Schabracq, 2007).

By implementing these changes the organization is staying competitive in the market with other companies that offer similar products. For example, AT&T has started focusing more on quality standards to improve customer experiences and satisfaction, by reducing the call-time a customer is waiting and reps on stand-by to help with the overflow of calls when needed. By increasing quality standards the company is aiming that this will set the organization above the competition and keep current customers while also attracting new ones.

Social-cultural changes affect companies regardless if located domestically or internationally. Just as with technology social-cultural developments could lead to organization changes. Developments include: an increase in worldwide transport and telecommunications, increase in use and role of Internet, impacts of television, migration, multicultural nature of the workforces and societies, changing relations within different cultures, a shift from manual work to a higher shift of knowledgeable work, and fundamentalist opposition.

Because some of these developments may open opportunities for organizations, companies must be able to adapt to the changes and make international changes within as-needed and as they arise to become knowledgeable and develop the skills necessary to succeed in the market. For example, recently the company announced that for the larger accounts paper invoices would no longer be available and companies would start receiving an e-mail containing a link to verify their bill online.

With the "going green" theme the company is informing customers that they also care about the environment and will do what is needed to reduce

any negative impacts. Political and legal developments can also lead to changes within an organization because politics and laws are constantly changing to adapt to the constantly changing society. As well as coinciding with the developments of technology, economic environment, and socio-cultural developments. As a result the company must make sure that they are following rules or regulations that are implemented.

Otherwise the company would need to adjust and make changes as needed to make sure that they are ethically following the laws and rules to prevent any consequences that could affect the company for not following the current laws and rules developed. For example, after the Fair Labor Standards Act was violated by a previous company they had to pay loss wages to employees as well as fully implementing the law throughout the organization. Employees had to learn to only be in work areas when on the clock and when on lunches and breaks there were no excuses to be in a work area.

FLSA not enforced when the law was first implemented; however ethically the company was violating laws and had to make changes within the organization to not violate the law in the future. Conclusion Organizational change is inevitable as nothing in the market will stay the same. As more countries are becoming developed and entering the market the competition keeps increasing cause changes to happen throughout an organization to stay competitive and meet legal requirements as needed.

The intensification of competition from manufacturers in emerging economies who can produce superior goods at cheaper prices, the introduction of new technology and changing consumer preferences and

tastes can result in companies having to redefine their business goals and objectives” (Drivers Of Organizational, 2007). The changes can affect a company in many ways; however by implementing the right changes and using the changes to the company’s advantage it can help the company achieve their desired mission and future objectives while also staying competitive in the given market.