

Research paper on managing organizational change

[Business](#), [Company](#)



Organizational changes take place when organization makes some transitions to achieve its desired system, process or structure. Transition of organization from present state to future state is known as organizational change. Effective Management of organizational change is very important to produce desired results. Management of organizational change can be described as a process that includes planning and implementation of change in a manner that it do not receive employee's resistance and also do not incur huge cost. The change should be managed to maximize the effectiveness and results. Present business environment is creating several challenges for the companies and to deal with these challenges, companies are required to bring organizational changes. Organizational changes help organization in generating competitive advantages and to remain in competition. Organizational changes play a vital role in business growth and success. It is imperative to communicate organizational changes to all stakeholders in a very effective manner for desired results. Communication of organizational change influences the implementation of change in a great manner. The main objective of this paper is to discuss and formulate effective organizational change communication plan.

Part A

General Motor brought major changes in North America to sustain in competitive environment and produce better financial results for the organization. Company decided to restructure the organization and bring new leaders to improve the performance. General Motor North America decided to form separate sales and marketing division to bring in more human resource expertise. The new organizational structure will be kind of

decentralized and flattened. The change plan initiated by top senior executives president Mark Reuss and CEO Whitacre which further flow downward and implemented by managers. The change brought in the organization has various objectives and results to be achieved. The detail on all aspects including key stakeholders time of change and objectives are provided in attached change plan (excel sheet).

Part B

Communication Plan

It is very important to communicate potential change in a suitable manner so that it does not receive employee resistance. The change communication plan should also be designed in a manner so that it does not create any kind of panic among employees. While designing communication plan, it is essential to consider target audience or employees who are involved in the processes and are going to play a major role in successful implementation of change. Generally an effective communication plan considers not only internal but external stakeholders also so that the change plan produced desired result without diluting trust or image of the company. A company presently dealing in home furniture market wants to expand its product category. The company decided to add home appliances in present product portfolio to give more category and product choices to customers. The below communication plan emphasized upon communicating changes related with product category expansion.

Communication Plan Objective:

The key objectives of the communication plan are:

- All activities of change plan and related information should be communicated to all stakeholders in appropriate time frame.
- The communication plan should ensure effective and healthy communication between various divisions/ departments involved in change process.
- Communication plan should be designed and implemented in a manner that it produces desired results from the potential change plan.
- Communication plan should effectively communicate the message and desired changes without creating any confusion or urgency of implementation.
- The change plan should effectively flow till the last member of the organization without diluting the importance and effectiveness of change.
- Assessment and measurement of effectiveness of change communicated: in case the effectiveness of change is not according to the desired level then there is need to revise the communication plan to yield desired results from the change.

Major Stakeholders Involved in Change:

Stakeholders can be described as people who are involved in change process and directly or indirectly get impacted by change. For example organizational employees who are directly involved in change processes; they have to implement the desired changes in the organization. Investors and shareholders will also get impacted by the change because potential

change will certainly bring some upward or downward moment in share prices. Internal stakeholders refers to people who are internally associated with the organization like employees, suppliers etc. external stakeholders refers to people who are externally associated with the organization like customer, media, community people etc. The change of product category extension, planned by home furniture company will also involve various internal and external stakeholders. However the change will mainly impact internal stakeholders because they are the one who implement the change. The change will also impact investors and stakeholders of the company. The Chief Executive Officer of home furniture company will initially inform all key executives, department heads and senior management about the potential changes of product category expansion in the organization. Senior management and departmental heads will further communicate the change message to all managers and team leaders. All major stakeholders associated with change are:

- Managers and Team Leaders: Head of departments will further communicate the desired changes and associated activities to all managers and different team leaders. Any change cannot be implemented over the night; it requires various activities that need to be executed in a systematic manner. Each activity needs to be handled effectively by the manager so that desired output can be achieved. It is responsibility of team leaders and managers to inform their team members about their duties and key responsibility areas. To implement desired change managers form team of suitable people who have desired skills and talent. It is responsibility of team leaders to execute all activities in timely and effective manner.

- Employees: team leaders inform all team members about the necessity of change and how that change is beneficial for organizational growth as well as for employee's growth. Team leaders make employees understand about implementation of change step by step in timely manner.
- Investors and Shareholders: the desired change will impact the financial position of the organization which impacts investors and shareholders because company is using their money in product category expansion plan. Positive or negative results of change will impact the wealth of investors.
- Customers: the new product category is added for the customers. It is customer who will make the change a success by purchasing new products. The existing customers of the organization can be future buyer of new products.

Communication of the Change:

The change planned by the organization will be initially communicated to all senior executives and departmental heads in a common forum. Chief Executive Officer will inform about the need and benefits of the change to all executives and departmental heads in the forum. The change will initially communicate to all employees by a formal mail from CEO of the organization. CEO will address all the employees in a common forum, once the change is communicated to all the employees by their managers and leaders, Employees can resolve their queries and doubts directly by asking question to CEO. The change and associated activities planned by the home furniture organization are:

- Change: The home furniture company wants to introduce new product

category of home appliances along with existing home furniture products.

- Why: The change planned by the organization is very essential for organizational growth. In present business environment where competition is rising and companies are continuously expanding their wings in different markets and products, it is important to fulfill customer's needs to remain in competition. The change is designed to fulfill customer's multiple requirements under one roof.

- How: The Company will add new product line of home appliances along with existing home furniture products in all retail stores.

- Coverage: During the beginning phase the change will be implemented in domestic market of the company. After successful implementation of the change in domestic market the change will be implemented in international market.

- Resources: during initial phase of change the company will not recruit any new manpower or human resources. Present skills and talent will be utilized for development and marketing of new product category. All people involved in the change process will be given proper training and knowledge that is required for implementation of change.

- Once the change is successfully implemented, company will celebrate success of change. The day when company will launch new product category will be a celebration day. On that day all employees will be given discounts on home appliances products.

Part C

According to a memo released by Walmart on behalf of Chief executive officer and president Mike Duke, the company is planning to bring some changes in the organization. The change was communicated to senior officers once the need of change was identified by the Mike. The major elements of change communication plan are as follow:

Objective of Communication: Major objective of the change communication is to make aware all people about development of new “ Global Sourcing Organization”; creation of a new structure of the company (WalMart U. S.); creation of Global. com Company; and discontinuing ten Sam’s clubs. The change communication is drafted very effectively in order to capture all essential elements for example why above mentioned changes need to be implemented and how they will be helpful in growth of the organization. The communication plan also inform about change benefits like reduction in cost and expenditure, enhanced profitability, improved quality, development of competitive advantages, enhanced efficiency and growth.

Stakeholder: the communication piece is a press released therefore the emphasis is given on benefits of change for the organization and how desired changes will improve products value for the customers along with other internal and external stakeholders. All key stakeholders responsible for change implementation are addressed in the release.

Timeline: the release or change communication is silent on timeframe for all change related activities. The communication does not indicate potential timelines for change.

The communication covers following points:

- Future changes will be implemented in the organization: Walmart will emphasize to implement four essential organizational changes directing to different strengths. Global sourcing organization emphasize on reducing cost, improving quality at multiple levels. Restructuring of the Walmart, US to baring growth opportunities, enhanced efficiency and identification of new opportunities. Company also emphasize on e-commerce by forming global.com which will capture the untapped market of online shoppers. The discontinuing of ten Sam's clubs will surely reduce the expenditure.
 - Why changes are important: above mentioned changes are very essential for organizational as well as investors growth. The planned changes will generate more value for the customers by reducing the products prices. Company will enhance its financial position by implementing these changes which can be given back to the different stakeholders. These changes are very important to keep Walmart ahead from competitors.
 - Benefits of changes for different stakeholders: these changes are very beneficial for various stakeholders of the organization; customers will be benefited by lower prices of the products and investors by increase in business profit. Employees will also gain by receiving rewards and recognition for their hard work.
 - Who are responsible to implement change: all senior executives, managers, head of departments, team leaders and employees are responsible for implementation of changes and business sustenance.
- Important elements not captured in the change communication are

timeframe of implementation of all changes; employee's direct involvement and feedback mechanism.

References

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