

Aes position

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



Introduction New ideas in an organization always emerge from a set of conditions in which old ideas no longer seem to work. When this is the case, there always would be a need for change. This notion to discard old ideas and usher new ones into an organization probably led Schumpeter (in Mintzberg et al, 1998) to describe organizational change as a process of creative destruction. But Robinson (2001) reckons that an organization's culture, process layout & strategy, and resource configuration weave a corporate immune system that should seldom be tampered with. According to him, such immune system usually based on the ideologies and philosophies of the founders of the organization; and makes up part of the foundation upon which the organization stands. Therefore, by tampering with the culture of the organization, the outcome might create more problems more devastating than what the change process was set to solve.

Change at AES

The mere fact that market conditions have changed does not mean the founders of AES should be changed to redress the adverse market and financial conditions the organization is facing. The above view is in line with the work of Kotter & Heskett (see Smith, 2003) who note organizations that have been successful in the past may persist in their cultural values even though these values inhibit the organization from adapting to a changing business environment. Relying on support from previous research, it would be worthwhile to reiterate that the culture set up by the founders of AES should be maintained. To maintain this, the founders need to be given time to address the strategic issues that can take out AES from its present impasse. Should there be a need for change, then let such change be

internal such that the founders are able to concert on what issues would be addressed for change. Such discretion should be given to the founders because they are the custodian of the managerial culture at AES and best know what aspect of the organization could be changed or maintained to address short or long term needs. Aside from this, the Going Concern Concept in Accounting demands that no founder would fail to fight back to rescue his or her organization even in the most difficult of market conditions. This therefore reiterates the fact that founders or corporate leaders possess a blend of personal humility and professional will¹, which adds to their four basic qualities of individual capability, team skills, managerial competence, and the ability to stimulate others to high performance. The founders at AES therefore would be no exception in acting to redress the problems facing the company. They can therefore rescue AES without the need for changing the founders.

Conclusion

In the extreme case wherein change would be dictated by the board, there would instead be a potential for conflict and attention would be deviated from solving the impending issues causing AES to trail its competitors. In effect, such change would be responded to as threatening the fabrics of the corporate culture. The corporate culture set up by the founders at AES would be reacting normally like any organization by manifesting the tendency to adhere to beliefs that have worked in the past, though they may not be working at the time the change is about to be implemented.

Reference

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