Case study – managing change

Organizations today are going through constant change brought about by competition, economics, business innovation and a realization that remaining stagnant may mean organizational death. As the business environment increases in complexity and changes rapidly, organization and management consequently experiences significant transformation to cope with these changes. On a micro level (company level), these changes would include the transformation of the internal corporate culture as well as enhancements In the management of human resources in response to Increasing workplace diversity and the evolving needs of the Rockford.

Therefore, the ability to change is an important part of the organization's business environment while the ability to help it adapt to change is equally a critical business challenge for the leadership. Change Is Imperative Organizations can't escape change. So what is change? It is adjustments, transformations, transitions, and revolutions which is a never-ending cycle of birth, growth and death (Topping, 2002). Change disrupts everyone's life; the only question is for how long. Leader – the change agent When an organization is at the crossroad of change, it is in the crisis stage.

Dublin (1989) defined crisis as a turning point for better or worse, or a situation that has reached a critical phase. When a company is in a crisis, it requires decisive and bold leadership to identify, isolate and manage the crisis (Topping, 2002). Leadership now requires very different behavior from the leadership tradition that we were used to. It requires leaders who are able to speak to the collective Imagination of their people, co-opting them to Join In the business Journey. It also requires convincing motivators that lead people into making that extra effort of a full commitment.

It is all about human behavior and understanding the way people and organizations behave; creating relationships; building commitment; adapting behaviors to lead in a creative and motivating way (Sets Devise, 2001). Hence, I do believe that a radical change In leadership Is essential to turn the organization around. Assessment of Pilaf's leadership competencies Having said about the importance of leadership in a changing environment, I will now assess the leadership competencies of Play (myself), who had been recently appointed as the Chief Executive Officer (CEO) of Wood's Departmental Store.

My task ere Is to effect a positive change In the company's performance. Assessing my own strengths Ana Limitations Is not an easy task.

Yet, tens assessment is important as it provides an evaluation of my strengths and limitations that would allow for the necessary reflections in making adjustments to my leadership styles (Myers, 2002). My background experience which includes twenty one years of working up from an audit clerk to the Head of Audit and Head of Credit had allowed me the privilege to manage the loan's department as well as the audit department of a foreign bank with international status.

These vast management experiences from a Nanking environment have now been transferred to the running of a departmental store, over which I have been appointed. I am aware of the challenges posed by this change and am determined that there would be several adaptations apart from drawing from what I have been comfortable and competent with during my previous employment. Being an auditor previously, I consider myself to be well-

organized with a level of self-discipline – my days at the office usually began with reviews on the previous day's activities.

This practice allows me the opportunity to priorities my agenda for the close of the business day.

My scope of work also involves contact with different individuals who require my undivided attention; clients, customer service representatives and co-workers on a daily basis as well as top management personal such as senior executives and company directors. The trying encounters of having to deal with different personalities are frustrating and so greatly test my resistance to losing my composure.

Through these experiences, I developed good people skills which allow me to handle even demanding situations in a professional manner. This is a valuable asset when employed in a customer service related field such as the departmental store. Similarly, Topping (2002) highlighted that it is critical for a leader to understand the dynamic of people.

I also consider myself to be helpful. I was constantly called upon as a team player as well as a team leader to provide assistance to fellow employees when they are in a crunch. Coaching others had always been a strong suit of mine, especially when it comes to training.

I enjoyed training people (I still do) as it provides me a sense of satisfaction and achievement knowing that I have contributed in helping others with their work. I always strive to be honest in my business dealings at every turn

especially if the situation calls for inferentially. Another trait which I possess is confidence.

This was much apparent in seminars and trainings I attended in which I was always selected to lead. Similarly, this confidence I project seemed to have always exerted a certain influence in group decisions.

Being an auditor has also equipped me with the analytical skills in which is needed when confronting situations that call for alternative solutions for various problems. The challenging nature of my work fuels my drive for it through the tasks which I was asked to perform – from budgeting to forecasting, spreadsheet creation o management information system (MIS) – each of these require the use of my professional skills. As for limitations, I do have some tendency to procrastinate; not so much in my professional life but in my personal life as I do not intend to risk my Job.

Another weakness wanly I crossover In myself Is ten anatomical way In wanly I strive to work out a task.

Being somewhat a perfectionist, I am not one to be easily satisfied until they are right in my own eyes. And so, I feel annoyed when working in group projects of which others do not seem to contribute to the same degree of commitment and input. As a result of this, I became hesitant in delegating more responsibilities to my subordinates and landed up handling most of the bulk. This hinders the grooming process of creating leaders out of my subordinates (Bateman & Snell, 2004). The company Wood Departmental Store Inc.

S a medium size public listed departmental store, with 1, 000 employees and 10 stores through out Malaysia. The performance of the company has been on the decline since the financial crisis in the late sass. The major problems faced by the organization are namely, employees unsure of the Meany's direction, communication problems between management and employees, lack of motivation, division within the employees, Job dissatisfaction, employee unwilling to learn and are fearful of accepting change. All this problems resulted in high employee turnover which in turn disrupted the process flow of the company.

Crisis management – the strategies and approaches Transformation is the process of change which an organization goes through in achieving its goals. It is not a one-person Job but rather the concentrated effort of a collaborated group.

Nevertheless, " without a leader, the movement does not get to egging and will eventually die off because of the lack of direction" (Itchy 2002, p. 30). With this in mind, I shall begin my Journey as the CEO of the Wood's Departmental Store to turnaround the company into one of the most sort after company for employment and also to be one of the top 5 retail store in Malaysia..

One of the first things I realized that being a new CEO who has come from the ' outside' world is to identify the formal and informal ways in which the company functions. This is to help me to understand the principal forces, the organization culture that drives the organization (Daft, 2002).

I am also fully aware that from my very first day, people (both the shareholders and employees of the company) would be very much interested in my vision as well as my action plan for the company. Despite these demands for action and clarification, my first strategy would be the need to listen and to continue to listen.

This is one of the habits which Covey (1994, p. 235) recommends: " Seek first to understand, then to be understood". An understanding of how the company functions and where value could be best added is crucial. Next, I would identify the key players who would be able to help me in the recess of making my tenure a success (Daft, 2002).

With it, the transformation process begins. Even though this transformation is not a simple process nor is it a comfortable one, I will be fully committed to bringing it to full course. Nee AT ten Key problems I would expect to race Is resistant to change. Implementing change is the hardest part because it requires selling the new response, including the case for weeding out resistors as well as all superfluous work. It also requires a strong set of values, emotional energy and the guts to see it through to the end. Change also involves getting people to do what you want them to do.

This is no easy task as people most often resist change as it upsets their comfortable working environment (Sets Devise 2001).

This resistance towards change is most natural as it usually brings on certain fears or doubts along with the need to have the ability to adapt to it. Most often, people need help to navigate the change process (Daft, 2002). Sets Devise (2001, p. 179) in his book on The leadership mystique mentions that

" the greatest difficulty in the world is not for people to accept new ideas, but to make them forget their old ideas".

Similarly, Scheme (1995), in his working paper on The Leader of the Future said that " the change agent's problem is not new learning, but how to unlearn things that are no longer serving the organization".

Because old ideas die hard, my challenge here would now need to take the perspectives of the cognitive as well as the emotional where people could be won in both the head and the heart. One of my immediate tasks would be briefing the employees the current situation of the company's poor performance. I would need to dig deep into my communication skills to articulate the right choice of words in projecting the company. In the briefing, I would also stress the importance and urgent need of the company to implement changes in its processes for its continual survival.

By doing so I hope to arouse the team members of their " complacency", that their " reluctance" to adapt and move along with change would be the undoing of the company.

My move here is not only to convince but also to inject awareness into my staff so that they feel the company's pain as their own. I would then use this opportunity to present the organization's plan for the future. In raising the consciousness of employees about the organization's mission and vision, and encourage others in understanding and omitting to the vision. This approach is a key facet of the transformational leadership style of inspirational motivation.

Since everyone is clear about the visions and values of the organization but in a practical way, so they can understand exactly what is their role in the business and what the organization is trying to achieve and how they can make a contribution to it to achieve the success of the business (Scranton, 1994).

This would also help create a sense of hope – a dual approach that garners support for a new beginning. My next strategy would be to identify the company's key strengths and define the ewe market requirements in order to build " our" new strategy.

This would mean changing ideas about how the company and its employees would work. I have deliberately defined this new strategy as one which is Jointly shared as in " ours" and not mine as I would like my co-workers to know that their ideas or views would equally be valued in this new collaborative effort of building the company. I would like my workers to see my willingness to share and that this company now is run by a common goal and vision which offers a feeling of interdependency. This interdependence according to Covey (1994, p.

85) is described as a situation in which o-workers nave progressed Trot Dealing relatively dependent on jean toner; winner previously each focused narrowly on only a small set of particular tasks for which he or she has a direct responsibility, onto a much broader focus where all members of a work group feel a shared responsibility for the company's overall outcomes in recognizing that they can, indeed, must, depend on each other to get the work of the company done. This acceptance of being part of the team signals

their willingness to listen. This would be an opportunity for me to capitalism upon.

I would also align other crucial players behind the new company vision for the future ND position the appropriate organization structure in place to implement the new vision. The crucial players in this case would be the key personnel in management, and the union leader who would be able to help spread the values of commitment and cooperation throughout the company.

This approach is known as the " collaborative management" – management through subordinate participation and power sharing rather than through the hierarchical imposition of authority (Stoner & Freeman, 1989, p. 75). This approach is described as affiliated leadership – one which is built upon relationship. This relationship should eventually translate into ' referent power', reflecting the influence I would gain over my employees (Stoner & Freeman, 1989, p. 257).

One may wonder why union leader is included in the team. One need to understand that union leader is the collective voice of the workers and gaining his or her acceptance is a big boost in implementing programs. This is not something new as it has been widely practiced in Japanese management.

A fundamental unit of an organization, the team or working group can be the channel for improving the effectiveness of the organization. In creating teams out of groups of people, some important factors to note would be ownership, accountability and responsibility (Stoner & Freeman, 1989).

These are critical with respect to the people's ability to be part of the organization, to take ownership of their roles and responsibilities while working as a team with a common purpose (Field, 2000). Therefore, I plan to identify the key team leaders and empower them to carry out the stipulated changes.

My task as the leader would now centre on providing the staff with the company's objectives and goals while motivating them to deliver with sufficient support. This would ensure team leaders the leverage to decide for homeless on what works best. It would also cultivate in them a sense of responsibility towards achievement with the faith entrusted onto them by the company's head on seeing the Job done apart from Just appreciating their opinions (Arnold, darling & Galloway, 2001).

This also creates mutual trust which brings confidence that the group will support each other.

Apart from the crucial players, it would also be expedient for me to interact personally with the employees as in conveying the company's direction publicly. This public commitment is crucial in doubling up the momentum of achieving results as well as garnering support. Going public with my intentions as in to confront and clarify my stand, demonstrates my determination and enlists the support of others. To further reinforce the new idea of change, I would introduce team building I nose programmer can Improve ten performance AT teams Ana t programmer.

Sense of participation among workers (Stoner & Freeman, 1989).

Team building will be directed at two different types of teams or working groups: first, an existing or permanent team made up of a manager and his or hers subordinates and the second, a new group that will be created to solve special problems, which I will call he special group. The team building programmer will also be used as an avenue to diagnose barriers to effective team performance, improving task accomplishment, improving relationship between employees and management team, improving processes operative in the team, such as communication and task assignment (Stoner & Freeman, 1989).

I would also establish proper communication channels. Effective communication is important for disseminating and receiving information. In fact communication has been characterized as the " life blood" of an organization (Stoner & Freeman, 1989, p.

522). An improved level of communication will minimize misunderstanding and confusion (Robbins, 2002). Communication channels such as the Internet (make available for all employees); memos, weekly meetings and other informal channels could be activated to disseminate company information (Robbins, 2002).

Apart from it, formal meeting to be held at the start of each week, (preferably the first day), the manager of the store would hold a brief meeting to discuss the performance of the previous week, make comparison with the budgeted fugues and present reminders of the company's vision and goals. It would also be the task of the manager to provide instructive feedback to motivate his staff towards better performance (Robbins, 2002).

To demonstrate enthusiasm and approachability, I intend to personally pay monthly visits at each of the stores.

This in turn would reap the benefits of first-hand information regarding my employees' performance. The nature of a departmental store is retail business. Retail operations personnel must always maintain the broadest operational knowledge possible in this area. Besides product knowledge, they also need to know how to handle themselves at work, and most importantly how to relate to their customers and peers. Soft skills are he underlying principles that trademark a company for professionalism and excellent customer service (Nicolas, 2002).

Since these skills are vital, training will be initiated at all levels of employees.

This training will be an ongoing process as part of the company's training programmer. As customer service is the most important aspect in the company's business, it is only proper to launch a Customer Service Survey. This programmer will also help gauge the company's services from the customers' perspective (Kettle, 2003). Specially designed forms with the tag line – " Tell us what you think" – will be provided to customers to comment on the services provided.

Those employees that receive compliments could be awarded points or given a special badge of recognition, I. E. Employee of the month. This practice is being widely practiced in the service industry and found to be effective. This recognition by the company of individual's performance would also act as an incentive and boost towards greater contribution Trot ten work Torte (Stoner

& Freeman, 1 Employees too wall De encourage EAI to nominate their co-workers for such awards in participating in this evaluation programmer.

Rewards could take the form of special privileges such as discount crouches, one-day unrecorded annual leave, reserved parking space or even lunching out with the CEO himself.

Also, team recognition in the same format could be drawn up. These incentives will motivate employees to perform better (Field, 2002). I strongly believe that motivation is an important factor in leading. When leaders give due recognition to employees that have performed well, that recognition will further boost their performance. Other forms of motivation could include salary increment, promotional recognition among peers and performance bonuses.

This form of motivation describes the theory of human motivation known as the Mason's Hierarchy (Bateman & Snell, 2004).

However, there is still the argument that monetary incentives should not be the main driving force in motivation. My response to this is that motivation, be it in monetary rewards or " a pat on the back" does demonstrate the recognition they deserve for their contribution towards the success of the organization. This can go a long way in showing these employees that they are being appreciated by the company and that they are not being taken for granted. Generally, the employees are the best people to affect changes in their working environment.

Any productivity improvement, including delighting the customers, customer service or responding to customers is done through people; the frontline workers as well as other supporting workers. They are the company's eyes and ears. Therefore, they would be the best people to contribute suggestions. Here, I intend to generate their thoughts and ideas into worthwhile channels through the programmer " Ideas that make a Difference", in which these employees could participate actively. A similar programmer was launched at Black and Decker Limited (Kettle, 2003).

The programmer was so successful that the company has attained the number one position in inventing new power tools.

This programmer would also motivate them to voice concerns with regards to the needed changes in the working process, the business units and the company. To encourage participation, the successfully implemented ideas from the originator could be given recognition or financial rewards. I am also of the opinion that the wave of the future to developing leadership is set within the employees. The employees of today could be the leaders of tomorrow, and so they should be treated as such.

With that in mind, I plan to establish an internal internship programmer where employees shadow co-workers for a given period of mime to learn more about the roles and responsibilities of the Job and the task at hand. This programmer contains the potential to create new ideas and programmer on how to increase the value of employees (Bateman & Snell, 2004).

It is also important to set clear goals and expectations for these types of exercises in order to align a strategy for the company and set a tone for the

type of behaviors and productivity levels which is expected from each employee (Inkers, Compton & start, 2002).

Walt all ten above strategies wanly I nave planned to execute as I endeavourer In my guest to transform the company, I believe half the battle has already been won. Having a secure power base along with the support of the management team as well as a network of effective alliances (team leaders, union leaders), I feel that what is left would be to constantly monitor the on-going progress and fine tune the necessary changes accordingly from time to time.

Application of leadership theory The effectiveness of the organization depends on the type of approaches exercised by leaders. In fact, different leadership styles could only be more effective in different situations. Stoner (1989, p.

63) defined leadership style as " the various patterns of behavior favored by leaders during the process of directing and influencing workers". Nonetheless, the behavior of leaders is too complex to be described by a single style to match a given situation.

As for my leadership approach, going back to the strategies I have enlisted and described earlier, my first action was in identifying the key people in the company and appointing them as members of the management team. Apart from that creating alliance, being supportive, initiating team building programmer, introduction internship program, and training. Based on the above it clearly indicates that my approach is more towards the Path-Goal theory.

Daft (2002) explained that Path-goal theory is a contingency theory approach that leaders adopt to vary their behavior depending on the personal goals of each followers. Based on the Expectancy theory, Path-Goal theory states that the leader's role is to clarify for subordinates the path to desired goals. The theory states that leaders can exhibit four types of behavior: directive (similar to task-oriented); supportive (similar to relationship-oriented); achievement oriented (appealing to a follower's inherent need to achieve); and eradicative (Field, 2002).

The contingency in this theory is that particular leadership behaviors should be used to complement, or fill in, what is missing from the work situation in order to enhance follower motivation, satisfaction and performance. In conclusion, it is quite evident that I have in fact adopted a number of leadership styles based on the Path-Goal theory – Directive Behavior, Supportive Behavior, Achievement-oriented, and Participative Leadership (as fit the occasion and intention) in implementing my strategies to bring about a turnaround to the performance of the Wood's Departmental Store.

In closing, I would like to fully affirm that leadership is the defining ingredient in the survival of an organization in today's turbulent economy. In answering the question of whether leadership is an innate trait or an acquired one, Daft (2002) mentioned that in Stodgily research, he identified five main characteristics of an effective leader. They are intelligence, dominance, and self-confidence, possessing a level of energy and having the right amount of task-relevant knowledge.

The traits that mentioned above are not necessarily those born within a person. On this issue, I would prefer to old the perspective that leaders are in fact born with the particular traits that make teen cutlets Ana Antenatal Instead AT ten flew Tanat any persons are ' Odor' (so to speak) to assume the position of leadership in a natural way. It is in recognizing and utilizing these God-given potentials that a good leader is thus made.

In fact, traits do not fully guarantee effective leadership – Just greater likelihood.