

The meaning and of managing change



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The word change itself tends to be very confusing and everybody fears and tends to refuse change. If you ask any employee about change, he/she will have negative responses to change. Despite being complex and confusing yet it is very important due to the changing economic situations facing the world nowadays.

However, the meaning of managing change varies according to people. For some people it maybe, a new way toward success for others it may be seen as a way to put its business onto new waves and so on. According to Michael Armstrong, ' Change management is the process of achieving the smooth implementation of change by planning and introducing it systematically, taking into account the likelihood of it being resisted'.

Success of implementing change depends largely on the way change it is managed. In this chapter, there will be an overview on different perspectives, importance on change management, including various tools used by researchers to asses change management.

2. 2 CHANGE MANAGEMENT

2. 2. 1 Conceptual matters

A. P Sloan (1967) stated that ' The circumstances of an ever-changing market and an ever-changing product are capable of breaking any business organization if that organization is unprepared for change'. In other words, if an organization decides to change it cannot just happen it should be managed properly.

2. 2. 2 Typologies of change

There three types of changes namely:

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Strategic Change

Strategic change is defined as “ changes in the content of a firm’s strategy as defined by its scope, resource deployments, competitive advantages, and synergy” (Hofer and Schendel, 1978). It is about changing the organizational vision, mission and objectives for a longer term for its betterment.

Operational Change

Operational change consists of changes occurring in the organizations’ structures, new systems, procedures or technology, which will contribute towards a better human productivity or increase profitability. According to Gartner, operational change is primordial in the provision of a high IT service quality.

Transformational Change

Transformational changes occur when there is a shift in the organizational culture resulting from a change in the organizational processes and strategies.

2. 2. 3 Change Process

It is important for organization to understand the change process steps well and subsequently initialize those steps. According to Robert Bacal, it comprises three phases; preparation stage, acceptance stage and commitment stage.

Figure 2. 0-The steps in the Change Process

Preparation Phase:

Contact Stage: The very first stage whereby, an individual have direct contact with the possibility of change occurrence.

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Awareness Stage: The individual is aware that change is being considered.

Acceptance Phase:

Understanding Stage: Occurs when the individual shows a certain degree of understanding of the nature and intent of change.

Positive Perception: The individual starts developing a positive view about change.

Commitment Phase:

Installation Stage: The change is being implemented and operational.

Adoption Stage: The individual has now adopted the change and it is being long time enough to exhibit its positive result and impact.

Institutionalization: Change is fully incorporated in the organization and has shown its worth, durability and continuity and is now considered as a routine operating procedures.

Internalization: Individuals have become committed to change as they themselves consider it as compatible with their working behaviours, goals and organizational systems.

2. 2. 4 Change Models

Over the past years there have various change models being used, some of the models are described below.

Kurt Lewin (1951), The basic mechanisms for managing change

In this model Lewin talk about three processes; unfreezing, changing and refreezing. Unfreezing implies changing the current attitudes and behaviours existing at the workplace. However, this process can lead to resistance, so change agent should analyze the possible problems and resolve them.

Besides, changing is a process of transition whereby, change starts to be operational. While refreezing occurs once change is implemented and is in need of stabilization. Nevertheless it is a time consuming process, as people will have to adapt to this new development. The process is shown below:

Figure 2. 2- Lewin Three-Stage Approach to Change

There is also a methodology proposed by Lewin for analyzing change, known as 'Field Force Analysis'. This method analyzes the restraining or the driving force which will have an effect on the transition. The restraining force includes those who have a negative view on change. It assesses which one of the two forces has the balance of power. Subsequently, it allow practitioner to take necessary meausres to increase driving force and decrease restraining force. This can be illustrated diagrammatically;

Figure 2. 3- Source: http://www.valuebasedmanagement.net/methods_lewin_force_field_analysis.html

Richard Beckhard (1969), change programme

Beckhard initiated the following processes;

The organization should set out desired goals and future organizational conditions after the change.

Identify the current situation of the organization in relation with the goals.

Identify the activities and commitment required during the transition to meet future goals.

Develop appropriate strategies and action to manage this transition, taking into account factors that might affect this change.

Beckhard alongside with David Gleicher developed a Change Equation which is shown below:

Figure 2. 3-Source: <http://www.greatleadershipbydan.com/2009/01/beckhards-change-equation.html>

According to them the above factors is necessary for any organizational change, which is applicable before and after the change.

Keith Thurley (1979) five approaches to managing change

According to Thurley, there are five approaches to manage change which are;

Directive

This is done without any consultation and is imposed onto the people in times of critical situation or when other methods have failed.

Bargained

Here change is being bargained whereby employer and employee discuss, negotiate, and compromise before implementing change. The views of the employees are being taken into consideration.

‘Hearts and minds’

This approach force to change the current attitudes, values and beliefs of the workforce. Through this approach, management seeks commitment, and shared vision from the workforce which does not mean participation.

Analytical

Analytical approach demonstrates clear definition of problem by diagnosing and analyzing the situation. Afterwards, collect data to set objectives and design change process and finally evaluating the result. This theoretical approach is very difficult to do in practice.

Action-based

It starts with a broad idea of the problem and it uses trial and error to get a better solution. It is less analytical and more involving.

2. 2. 5 Resistance to Change

People resist change because they fear of the unknown, and thus create negative feelings about change. People want stability and equilibrium in their lives as well as working life and so resist changes.

2. 2. 5. 1 Joan Woodward (1968), reasons for resisting change

According to Joan Woodward (1968), resistance to change are due to:

Fearing the unknown

Many people are suspicious about change because it will disturb their method of work, or working conditions, thus they have a feeling of insecurity.

Economic fear

People may feel if changes occur they might lose their job.

Inconvenience

They think changes will make their life difficult.

Symbolic fear

Changes may affect some symbolic issues that people are attached to, like separate offices etc.

Threat to interpersonal relationships

They believe that changes may disrupt their working relationships.

Menace to status and skill

They tend to associate change to a method of de-skilling or a reduction in the status level.

Competence fears

If changes occur, they fear that they will not be able to adapt to new working demands and lack competencies.

2. 2. 5. 2 Overcoming resistance to change

Resistance to change is a problematic situation which organization should overcome. Organization can use the Six Change Approaches (Kotter and Schlesinger) to deal with resistance to change, for example:

Education and Communication

One of the reason people resist change is because, there is a lack of sharing of information. So management must, share and communicate information about the motives behind the change to its people.

Participation and Involvement

When employees are involved and participate in the change, they are more enthusiasm about change and hence do not resist change.

Facilitation and Support

Upper management must support and facilitate the transition; they should help them to overcome their fears, through counseling, mentoring and so on.

Negotiation and Agreement

Managers may negotiate with group of employees which possess enough power to influence resistance to change. They may offer incentives or make agreement between them to combat resistance.

Manipulation and Co-option

Kotter and Schlensinger have proposed a method of manipulation and co-option when all other methods seem to be ineffective. This technique manipulates people who are resisting change. An example can be, giving a symbolic role in decision making to a leader. However, if they find out they are manipulated, they will drive resistance to change higher.

Explicit and Implicit Coercion

This is the last resort that managers used, that is forcing employees to accept change, this can be effected through fear, by threatening employees lost of job, no career prospects and so on.

2. 2. 6 Implementing Change

Nadler and Tushman (1980) have developed some guidelines for effective implementation of change:

Motivate people to accept and adapt to changes.

Good management and control should be ensured during and after transition through communication and proper image of the future.

Ensure that politics dynamics support changes rather than reject it.

Build stability of new structures and changes.

In addition to these guidelines, changes will take place smoothly with the help of a change agent who can be internal or external.

2. 2. 7 Organizational Transformation

Organizational transformation as per Cummins and Worley (2005) is ‘ A process of radically altering the organization’s strategic direction, including fundamental changes in structures, processes and behaviours’.

John P Kotter ((The Heart of Change, 2002) introduced strategies for organizational transformation, which is summed up below:

Increase urgency

Make real and achievable objectives and drive motivation.

Build the guiding team

Build a team with right people possessing right kind attitudes, skills, commitment and so on

Get the right vision

Make the team build simple vision and strategy and focus on emotional and creative aspect for more efficiency

Communicate

Communicate to people and encourage them to participate.

Empowerment

Organization should empower its people, remove all obstacles, provide 360 degree feedback, support and recognize and reward them accordingly.

Create short term wins

Create short achievable aims, which are easy to attain. Organizations should also finish existing aims before starting new ones.

Never give up

Always encourage and motivate and communicate forecasted results.

Stabilize change

Once change is implemented should make it stick, by creating a culture of change in the organization.

2. 2. 8 Role of HR in managing change

According to Ulrich (1997) the key role of HR practitioners during change, is to act as a change agent and thus provide for organizational transformation and cultural change.

2. 2. 8. 1 HR practitioners as change agents

There are four dimensions according to Caldwell (2001) that classify HR change agent:

Transformational Change

These are changes having a great impact on HR policies and practices of a business.

Incremental Change

It is gradual modification of HR policies and practices that have little effect on its activities.

HR Vision

Set of values and beliefs relating to HR functions which are a strategic business partner.

HR Expertise

HR professionals can use their expertise and knowhow to contribute for business success.

2. 2. 8. 1 HR contribution in change management

Ulrich (1998) says that HR practitioners ' are not fully comfortable or compatible in the role of change agent'. Therefore their duty is not to perform change but is to ensure that change is implemented. Their

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contributions are mostly about implementing structures, systems etc that support change. So they will have to motivate, communicate and involve people in change management. HR specialist must also provide proper training and development programmes so that employees can upgrade their skills, behaviours to adapt to change.

2.3 Conclusion

Changes always happen, so to remain up to date organization should invest in change management. Upper level management should feel the need for change and communicate to its people. Additionally, management should never be demotivated even if there is resistant, they should be perseverant and continue to encourage people to accept change. “ You should be the change that you want to see in the world” Mahatma Gandhi. Information from this literature was used to develop the research methodology in Chapter 4.