

Change Management

The Nature Of Change





We do not have to change,
because staying in business is
not compulsory.

W. Edwards Deming, 1900–1993



“**Change**,” in its broadest sense, is a planned or unplanned response to pressures and forces.

Therefore, there is nothing new about change or the need for it. Technological, environmental, economic, social, regulatory, political, and competitive forces have caused organizations to modify for decades—if not centuries.

Change is such a topical issue these days, however, because simultaneous, unpredictable, and turbulent pressures have become the norm. Because of Globalization, competition intensified, more complex relations with other firms are established, strategic choices increase, and adaptation is needed for mere survival, let alone long-term success.

Managing change is itself a kind of **paradox**: Can change really be managed?



Change management, is a very much multi disciplinary field, made of psychology, human resources, communication and project management.

Often labeled as the “soft stuff”, and used when resistance poses a major threat; however, as the pace of change has speeded up, managers are realizing that the “soft stuff is the hard stuff”.

Nowadays, change management has had hard evidence to prove its value.



DEFINING CHANGE MANGEMENT

In thinking about what is meant by “change management,” at least three basic definitions come to mind:

- 1- The task of managing change;
- 2- An area of professional practice;
- 3- A body of knowledge.

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The second meaning of managing change, namely, the response to "external" changes over which the organization exercises little or no control (e.g., legislation, actions of competitors, economic cycles...).



The second definition of change management is "an area of professional practice." Professional consultants will readily claim that they are engaged in planned change, that they are change agents, that they manage change for organizations, and that their practices are change management practices.

Stemming from the view of change management as an area of professional practice there arises yet a third definition of change management, a body of knowledge. This consists chiefly of models, methods, techniques, tools, skills and other forms of knowledge.



Change usually involves three aspects:

Employees;

Processes;

Culture.

Change is the only constant that we can rely on in the business world; therefore, it is critical for organizations to:

- i. Understand change;
- ii. Promote change;
- iii. Cope with change;
- iv. Value change.



Types of Change

Developmental :

Can be either planned or emergent; may enhance or correct existing aspects of an organization; often focus on improvement of skill or process.

Transitional :

Seeks to achieve a known desired state that is different from the existing one; is episodic (occasional). Much of the organizational change literature is based on this type.

Transformational :

Requires a shift in assumptions made by the organization and its members; transformation can result in an organization that differs significantly in terms of structure, processes, culture and strategy; may, therefore, result in the creation of an organization that operates in developmental mode - one that continuously learns, adapts and improves.



Planned versus Emergent Change:

sometimes change is deliberate; a product of conscious reasoning and actions (planned change).

In contrast, change sometimes unfolds in an apparently spontaneous and unplanned way. This type of change is known as emergent change.

Change can be emergent rather than planned in two ways:

- i. Managers make a number of decisions apparently unrelated to the change that emerges. The change is therefore not planned. However, these decisions may be based on unspoken, and sometimes unconscious, assumptions about the organization, its environment and the future (Mintzberg, 1989) and are, therefore, not as unrelated as they first seem.



ii. External factors (such as the economy, competitors' behavior, and political climate) or internal features (such as the relative power of different interest groups, distribution of knowledge, and uncertainty) influence the change in directions outside the control of managers. Even the most carefully planned and executed change programme will have some emergent impacts.



Episodic versus Continuous Change:

Another distinction is between episodic and continuous change. Episodic change, (Weick & Quinn, 1999), is 'infrequent, discontinuous and intentional'. Sometimes termed 'radical' or 'second order' change, episodic change often involves replacement of one strategy or programme with another.

Continuous change, in contrast, is 'ongoing, evolving and cumulative'. Also referred to as 'first order' or 'incremental' change, continuous change is characterized by employees' constantly adapting and editing ideas they acquire from different sources.

At a collective level, these continuous adjustments made simultaneously across units can create substantial change.



Four Basic Change Management Strategies

Empirical-Rational: employees are rational and will follow their self-interest once it is revealed to them. Change is based on the communication of information and the offering of incentives;

Normative-Reductive: employees are social beings and will adhere to cultural norms and values. Change is based on redefining and reinterpreting existing norms and values, and developing commitments to new ones;

Power-Coercive: employees are compliant and will generally do what they are told or can be made to do. Change is based on the exercise of authority and the imposition of sanctions;

Environmental-Adaptive: employees oppose loss and disruption but they adapt readily to new circumstances. Change is based on building a new organization and gradually transferring employees from the old one to the new one.



There is no single change strategy, we can adopt a general or what is called a "grand strategy" but, for any given initiative, some mix of strategies would best serve the purpose.

Factors in Selecting A Change Strategy

Degree of Resistance. Strong resistance argues for a coupling of power-coercive and environmental-adaptive strategies. Weak resistance argues for a combination of Empirical-Rational and normative-re educative strategies.

Target Population. Large populations argue for a mix of all four strategies, something for everyone so to speak.

The Stakes. High stakes argue for a mix of all four strategies. When the stakes are high, nothing can be left to chance.



The Time Frame. Short time frames argue for a power-coercive strategy. Longer time frames argue for a mix of empirical-rational, normative-re educative, and environmental-adaptive strategies.

Expertise. Having available adequate expertise at making change argues for some mix of the strategies outlined above. Not having it available argues for reliance on the power-coercive strategy.

Dependency. This is a classic double-edged sword. If the organization is dependent on its people, management's ability to command or demand is limited. Conversely, if people are dependent upon the organization, their ability to oppose or resist is limited. (Mutual dependency almost always signals a requirement for some level of negotiation.)



Important issues (questions) to address before embarking on managed change:

- 1- What would be the impact of the changes on stakeholders in terms of, for example, process improvement, cost savings, time saving, employee satisfaction, employee retention...?
- 2- What are the financial implications for the Organization? (Need to conduct a cost benefit analysis; what would be the implementation costs?).
- 3- What risks would the Organization be taking if the idea is developed in a change programme?
- 4- What is likely to be the level of resistance? Is there a danger of undertaking too much change at any one time?



5- Do we have the human resources with adequate skills to develop, implement and maintain the changes?

6- Is there a need for training and development to be put in place for staff to lead and/or facilitate the change process?

7- What is the urgency of the change?

8- What is the wider level of support for the change? What level of approval will be needed to develop the initiative? Will it be difficult to get this support?

9- Is there a community of practice, steering committee that can assess objectively/back up the change proposals?

10- Is the timing right?

11- How long is it going to take to implement the change?

