MODULE 6
Approaches to Change Management

Forces For Change

- Nature of the workforce
- Technology
- Economic shocks
- Competition
- Social Trends
- World Politics

Conditions That Facilitate Organizational Change

- A dramatic crisis
- Leadership turnover
- Stage of life-cycle
- Age of the organization
- Size of organization
- Strength of current culture

Attitudes Towards Change: A Long-Term Perspective

Assumptions:

- Change involves not only learning something new but unlearning something that is integrated into an individual's self/social system
- No change unless there is motivation to change
- Most adult changes involve attitudes/values/self concept and can be painful and threatening
Attitudes Towards Change: A Long-Term Perspective

- Organizational changes effected through individual changes in key members
- Change is a multistage cycle and all stages must be planned and negotiated
- Management of change is not necessarily only rational management but also emotional management of people

Resistance To Change

Individual resistance

- Habit
- Security
- Economic factors
- Fear of the unknown
- Selective information processing

Organizational resistance

- Structural inertia
- Limited focus of change
- Group inertia
- Threat to expertise
- Threat to established power relationships
- Threat to established resource allocations

Overcoming resistance to change

- Education and communication
- Participation
- Facilitation and support
- Negotiation
Manipulation and cooptation
Coercion

**Approaches To Managing Organizational Change**

- Lewin & Lippitt’s (3) three-step model

**Unfreezing the status quo**

- creation of motivation to change
- Present behavior/ attitudes must be disconfirmed
- Discomfort/ disconfirmation will lead to anxiety to motivate a change
- Create psychological safety for change

**Approaches To Managing Organizational Change**

**Moving to a new state**

- Developing new attitudes and behavior
  - Identification with a role model, mentor or friend
  - Scanning the environment for information specially relative to one’s particular problem

**Refreezing the change**

- Stabilizing the changes
  - Allow testing of new attitudes and behavior
  - Team training better than individual training

**The Eight-Stage Process Of Change**

- Initiation : vocalization of need to change
- Motivation: involving people in detailed consideration of the proposed change
- Diagnosis : searching for main cause of symptom
• Information collection: about diagnosis and development of alternative approaches
• Deliberation: evaluating alternatives
• Action proposal
• Implementation: translating proposed ideas into action
• Stabilization: internalizing the change and making it a part of the organization’s life

Other Change Management Approaches

• Action research: change process based on systematic collection of data and then selection of a change action based on what analyzed data indicate.
• Organizational development: change process built on humanistic-democratic values, to improve organizational effectiveness and employee well-being.
• Sensitivity training: training groups to change behavior through unstructured group interaction
• Survey feedback: use of questionnaires to identify discrepancies among member perceptions
• Process consultation: a consultant helps client understand process events and identify processes for improvement

Roles In Organizational Change

The Corporate Management

• Legitimizing function
• Energizing function
• Gate-keeping function
Roles In Organizational Change

The Consultant

- Implating function
- Transcending function
- Generating alternatives
- Process-facilitating function
- Shock-absorbing function
- Resource-sharing function
- Resource-building function
- Self-liquidating function

The Counterpart

- Collaborating with consultant
- Implementing policies
- Stabilizing the change

The Implementation team

- Collaboration-building function
- Gate-keeping function
- Reviewing function

Effective Implementation Of Change

1. Planning

- Phasing
- Processes
- Strategies
2. Monitoring

- **Implementation team**
- **Minimum control**
- **Review and feedback**
- **Dissemination of information**

3. Action

Effective implementation of change (contd.)

4. Adaptation (dealing with consequence of change)

5. Support

- **Training**
- **Resources**

Assessing An Organization’s Propensity To Change

- **Pattern breaking**

  *F freeing the system from redundant structures, processes or functions*

- **Experimenting**

  *To generate new patterns of systems in keeping with envisaged / desired future state*

Assessing An Organization’s Propensity To Change

- **Vision**

  *Reflecting the desired future state or pattern around which organization is to be reformed*
• Bonding and attuning

*Building individual and organizational cohesiveness to move the organization towards the envisioned state.*

Transformation: Structural Considerations

• Strategy-structure compatibility

  • *Which structure best matches strategic initiatives vis-à-vis market needs?*
  • *Changes to be made at the ‘task’ levels*
  • *Ways of achieving better co-ordination among units or subsystem*
  • *Changes in existing hierarchy, authority and power relationships*

• Constraints

  • Cost
  • Speed
  • *Employee skills and organizational structure*

Transformation: Managing Human Resources

Aligning employees with change efforts

• Tasks
• Roles
• Teams
  • *HRD systems (salary, incentives, performance appraisal)*
### Aligning Employees with Change: HRM Techniques

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<thead>
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<th>Task-focused changes</th>
<th>Role-focused changes</th>
<th>System-focused changes</th>
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<tr>
<td>• Employee education and training</td>
<td>• Role clarification</td>
<td>• Salary and incentives</td>
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<td>• Individual-role compatibility</td>
<td>• Employee appraisal and career path</td>
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<tr>
<td>• Behavior modification</td>
<td>• Team building</td>
<td>• Management by Objectives</td>
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<td>• Employee empowerment</td>
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- **Have clear beliefs and values that guide actions**

- **Build a trusting and committed followership**

- **Share new cultural premises and statements throughout the organization**