

Table 18.4: Trends in organizational change

change in the late twentieth century	change in the twenty-first century
one organizational theme among many	an organizational preoccupation
importance of participation and involvement	significance of political motives and actions
rational-linear model of project management	messy, untidy cocktail of reason and motive
content skills are critical	process skills are critical
change as periodic adjustment	change as continuous upheaval
aimed at organizational effectiveness	aimed at competitive advantage and survival

this is \*  
modern  
approach  
to involve  
workers

Bill needs \*  
to be aware  
change will  
take a while

There are a number of trends evident in this field. Change is set to remain a central theme. While participative management remains socially and ethically appropriate, there is a willingness to accept the use of directive methods. There is also increasing recognition of the role of organizational politics. The effective change agent must be sensitive to and skilled in appropriate modes of political intervention. There is also recognition of the need for rapid and continual adjustment to events and trends. In other words, change is no longer something which periodically disturbs the stable fabric; change is a feature of organizational life. The significance of a wide range of context factors in shaping the opportunities for and directions of organizational change is better understood and appreciated. And finally, while change may still be relevant to improving effectiveness, the ability to change rapidly is increasingly viewed as a factor contributing to competitive advantage and organizational survival.

These trends are summarized in table 18.4.

## Recap

### 1. Understand the typical characteristics of human responses to change.

- Individual emotional responses to traumatic changes differ, but the typical coping cycle passes through the stages of denial, anger, bargaining, depression and acceptance.
- The Yerkes-Dodson law states that the initial response to pressure is improved performance, but that increasing pressure leads to fatigue and ultimately to breakdown.
- The evidence suggests that continuous organizational changes do lead to work intensification, burnout and 'initiative fatigue'.

### 2. Identify the main external and internal triggers of organizational change.

- Change can be triggered by a range of factors internal and external to the organization, and can also be proactive by anticipating trends and events.

\*  
change  
in Bill's  
workplace  
was  
internal

- Organizational changes vary in depth, or penetration, from shallow, fine tuning, to deep, paradigmatic or strategic change.
- The broad direction of change in most organizations is towards becoming less mechanistic and bureaucratic, and more adaptive, responsive and organic.

### 3. Understand the nature of resistance to change and approaches to overcoming it.

- Resistance to change has many sources, including self-interest, lack of trust and understanding, competing assessments of the outcomes, and low tolerance of change.
- One technique for addressing possible resistance to change, as well as identifying and strengthening support, is stakeholder analysis.
- The main prescribed approach for avoiding or dealing with resistance is participative management, in which those affected are involved in implementation.

\*  
Bill has not built  
a strong participative  
teaming



- not suitable*
- The use of manipulation and coercion to implement change are advocated by some commentators, but the 'political' role of management in change is controversial.

4. Explain the advantages and limitations of participative methods of change management.

- takes time but needed to build team commitment*
- Participative methods can generate creative thinking and increase employee commitment to change, but this process is time-consuming.
  - Some commentators argue that rapid and major corporate transformations are more successful when implemented using a dictatorial or coercive style.

5. Explain the strengths and weaknesses of the processual/contextual perspective on change.

- Processual/contextual theory emphasizes the

interaction of the substance, process, politics and context of change at individual, group, organizational and social levels of analysis, considering also how past events shape current and future thinking and actions.

- Processual/contextual theory is analytically strong but is weak in practical terms.

6. Outline the skill requirements of the effective change agent.

- The change agent has to be more skilled in managing the change process than knowledgeable with respect to the substance of the change in hand. This involves the 'soft' management skills of communication, presentation, selling, negotiating, influencing, and providing feedback and support.

*Bill needs to be the change agent + use these soft skills*

## Revision

- What value do practical 'recipes' have for managers attempting to implement organizational change, and what are the limitations of this kind of advice?
- What are the main sources of resistance to organizational change, and how can resistance be overcome?
- Why has organizational change become a 'strategic imperative' and a management preoccupation?
- The typical individual response to change is not necessarily negative. Why not, and how can individual responses to change be assessed and understood?
- What are the benefits and limitations of a participative approach to the implementation of organizational change?

## Springboard

Burnes, B., 2000, *Managing Change: A Strategic Approach to Organizational Dynamics*, Financial Times Prentice Hall, Harlow, Essex (third edition).

Comprehensive, well-informed and clearly written textbook on change which sets the topic in the wider context of organizational strategy, behaviour and management.

Collins, D., 1998, *Organizational Change: Sociological Perspectives*, Routledge, London.

Surveys current thinking and is critical of 'n-step recipes' for change which lack theoretical underpinning. He is also critical of management for avoiding theory, and critical of academics for accepting managerial perspectives on change.

Dawson, P., 1994, *Organizational Change: A Processual Approach*, Paul Chapman Publishing, London.

An accessible account of processual theory, with case accounts of change which reveal the perspective in action.

Knights, D. and Willmott, H. (eds), 2000, *The Reengineering Revolution: Critical Studies of Corporate Change*, Sage Publications, London.

A collection of chapters assessing critically the impact of re-engineering on management thinking and practice, revealing that this 'fad' has not been abandoned.

Kotter, J.P., 1995, 'Leading change: why transformation efforts fail', *Harvard Business Review*, vol.73, no.2, pp.59-67.

An American example of an 'n-step recipe' approach, Kotter lists eight steps for successful transformation. He has published a book with a similar title.

Leigh, A. and Walters, M., 1998, *Effective Change: Twenty*



- The *fencesitters* are those whose allegiances are not clear.
- *Loose cannons* are dangerous because they can vote against agendas in which they have no direct interest.
- Your *opponents* are players who oppose your agenda but not you personally.
- Your *adversaries* are players who oppose both you and your agenda.
- *Bedfellows* are those who support the agenda but may not know or trust you.
- *The voiceless* are stakeholders who will be affected by the agenda but have little power to promote or oppose and who lack advocates.

Egan argues that different stakeholders must be managed differently. Partners and allies need to be encouraged, to be 'kept on side'. Opponents need to be converted. Adversaries have to be discredited and marginalized. Egan suggests that the needs of 'the voiceless' should be addressed in case they are 'recruited' by adversaries and used against the change agenda.

John Kotter and Leo Schlesinger (1979) identify six methods for overcoming resistance:

#### 1. Education and commitment

Managers should share their perceptions, knowledge and objectives with those affected by change. This can involve a major and expensive programme of training, face-to-face counselling, group meetings, and the publication of memos and reports. People may need to be informed about the nature of the problems necessitating change. Resistance may be based on misunderstanding and inaccurate information. It therefore helps to get the facts straight, and to identify and reconcile opposing views. Managers can use this approach only if they trust their employees, and if in return management appear credible to the employees.

#### 2. Participation and involvement

Those who might resist change should be involved in planning and implementing it. Collaboration can have the effect of reducing opposition and encouraging commitment. This helps to reduce fears that individuals may have about the impact of changes on them and also makes use of individuals' skills and knowledge. Managers can use this approach only where participants have the knowledge and ability to contribute effectively, and are willing to do so.

#### 3. Facilitation and support

Employees may need to be given counselling and therapy to help overcome fears and anxieties about change. It may be necessary to develop individual awareness of the need for change, as well as the self-awareness of feelings toward change and how these can be altered.

#### 4. Negotiation and agreement

It may be necessary to reach a mutually agreeable compromise, through trading and exchange. The nature of a particular change may have to be adjusted to meet the needs and interest of potential and powerful resisters. Management may have to negotiate, rather than impose, change where there are individuals and groups who have enough power effectively to resist. The problem is, this creates a precedent for future changes—which may also have to be negotiated, although the circumstances surrounding them may be quite different.

#### 5. Manipulation and co-optation

This involves covert attempts to sidestep potential resistance. Management puts

\*  
useful  
for changing  
teams  
  
yes ✓



**Readiness for change**

is a predisposition, perhaps even impatience, to welcome and embrace change.

Where readiness is high, change may be straightforward.

But when readiness is low, some

'groundwork' may be required to increase readiness among those affected.

forward proposals that deliberately appeal to the specific interests, sensitivities and emotions of the key groups or stakeholders involved. The information disseminated is selective, emphasizing the benefits to particular stakeholder groups and ignoring or playing down the disadvantages. Co-optation involves giving key resisters direct access to the decision-making process, perhaps giving them well-paid, high-status management positions.

**6. Implicit and explicit coercion**

Management here abandons any attempt to achieve consensus. This may be appropriate where there is profound disagreement between those concerned with the change, and where there is little or no change of anyone shifting their ground. This results in the use of force and threats. This need not involve violence. It may be sufficient to offer to fire, transfer or demote individuals, or to stifle their promotion and career prospects.

**Stop and criticize**

Egan advises that 'adversaries' should be discredited and marginalized. Kotter and Schlesinger suggest using manipulation and coercion. Other authors advocate the use of political tactics to neutralize resistance. Are there any circumstances in which such management behaviour can be considered professional, ethical, effective?

Kotter and Schlesinger point out that these six management methods can be used in combination. The choice in a given situation depends on the likely reactions of those involved, and on the long-term implications of solving the immediate

**Are we ready for this?**

From a practical change implementation perspective, it is usually useful to ask the question: are the conditions right, or do we have to do some preliminary work before we go ahead? One approach to 'preparing the ground' for change is based on the concept of **readiness**.

Tim Eccles (1994) identifies eight preconditions for successful change. These are:

1. Is there *pressure* for this change?
2. Is there a clear and shared *vision* of the goal and the direction?
3. Do we have effective *liaison and trust* between those concerned?
4. Is there the *will and power* to act?
5. Do we have enough *capable people* with sufficient resources?
6. Do we have suitable *rewards* and defined accountability for actions?
7. Have we identified actionable *first steps*?
8. Does the organization have a *capacity to learn* and to adapt?

*this was missing in Bill's team*

*this has to come from Bill*

Where the answers are 'yes', the organization's **readiness for change** is high, and resistance is likely to be localized and insignificant. Where the answers are 'no', readiness is low, and change is likely to be correspondingly more difficult to implement.

The concept of readiness draws attention to two practical issues. The first concerns *timing*. Some readiness factors may simply improve by waiting. The second concerns *action*, to manipulate readiness factors, to heighten the impatience for change, to strengthen a welcoming predisposition. In other words, these readiness factors can be managed.