

CHANGE MANAGEMENT AND ORGANIZATIONAL DEVELOPMENT



DEVELOPMENTS IN CHANGE MANAGEMENT

When considering the drivers for organizational change it has to be said that nothing remains still in the world of business. The rate of change that companies face has continued at an increasing pace over the last 50 years through advances in technology since the 1960s and more recently through the globalization of supply chains. While

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historically change did occur this was generally focused on alignment with customer demand and technological advances in production techniques and was usually addressed by incrementally stepped change. As the rate of change increased so the gap widened between global competitors necessitating more extensive change management plans and longer implementation lead-times. Such planned major change is often an infrequent action and part of a larger organizational realignment either through incremental drift of lagging behind others or the need for a more large-scale change driven by evolution or revolution.

All organizations are destined therefore either to perish through business failure from being left behind by the competition or to accept that undertaking change is a natural part of business life in order to keep in line with the need for improvements or customer or fashion demands. Even where organizations are engaged in their own change derived from incremental improvements this can often be behind that demanded by the changes in the business environment resulting in further action being needed to gain closer realignment. The model in Figure 2.1 shows that the business environment changes at a pace faster than the organization's change strategy, which over time fails to develop in line with it. In reality, it is often difficult to ensure that the organization remains aligned with external influences as each subtle change can be undetected on its own; however, many organizations will recognize the reality shown in Figure 2.1 and the need to be aware of the relative additional external changes.

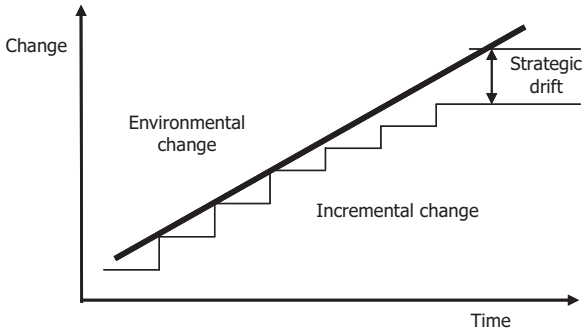


Figure 2.1 Strategic drift and trigger for change.
 (From *Management Concepts and Practices*. Dr Tim Hannagan, 2005, reproduced with permission of Pearson Education.)

While this chapter provides a number of models about managing change, it is stressed that even accounting for the strategic drift any change management plan is destined to fail unless supported by a main sponsor. It is considered that this should be the senior management of the organization in place of the organization's stakeholders who must also have an acceptance that such change is seen as being appropriate for the specific organization and that its customer base will respond positively to the changes as and when they are implemented.

Even with senior management support, the change process is likely to be time consuming and the company will have to consider the type of change strategy best suited to pursue the organization's new direction. There are a number of factors that will need to be considered in choosing how to implement the necessary

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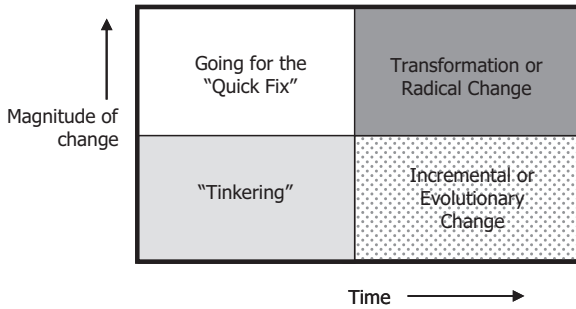


Figure 2.2 Change options.

(From *The Essential Management Toolbox: Tools, Models and Notes for Managers and Consultants*. S.A. Burtonshaw-Gunn, 2008, reproduced with permission.)

changes as each approach will be appropriate to different circumstances. Indeed, it is stressed that those that are inconsistent with the demands of the situation – the people, the cultural setting and the business environment – will undoubtedly run into problems and fail to provide the long-term benefits of the required changes.

While there are a number of change options open to organizations, as shown in Figure 2.2, it should be noted that undertaking any specific change management programme is neither easy nor should be thought of as a quick undertaking; however, there are some models and approaches included in this chapter which may assist those considering undertaking or indeed tasked with delivering organizational change.

Recognition of the need to justify, communicate and train staff in change management to minimize resistance

to proposed change not only needs to be sensitively managed, but has always been a feature of undertaking change from established practices across the ages. The advice penned by the sixteenth-century Italian courtier Nicholo Machiavelli is often quoted by those involved in undertaking this task: “There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things” (*The Prince*, published in 1532).

CHANGE MANAGEMENT CONSIDERATIONS

Bearing in mind the above historical advice and the recognition of the level of difficulty of introducing change, the model shown as Figure 2.3 shows a range of changes which an organization may wish to adopt. The model also suggests that the easier changes at the bottom of the pyramid offer the least level of discomfort for employees and that these lower level changes also require the least amount of time and cost. Similarly, the higher levels necessitate substantial time and investment and as such are much harder to implement. The pyramid model also suggests that embarking on the lower level changes first may be a good way to develop an acceptance to a change programme especially if quick, beneficial and easy to observe changes can be realized by this staged approach

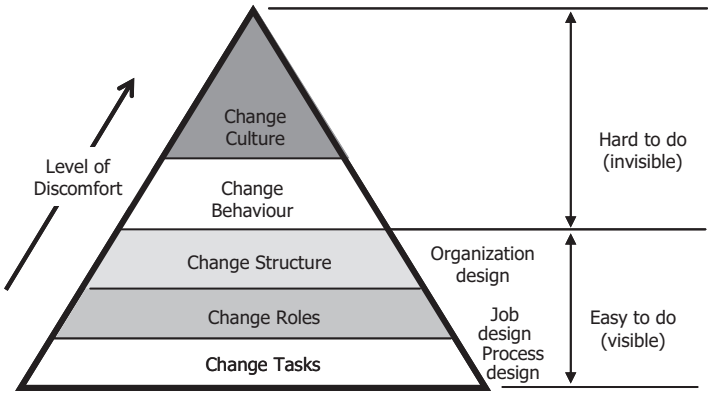


Figure 2.3 Change pyramid.
 (From *The Essential Management Toolbox: Tools, Models and Notes for Managers and Consultants*. S.A. Burtonshaw-Gunn, 2008, reproduced with permission.)

– a clear example of harvesting “the low hanging fruit” first.

After considering the above factors, it is proposed that there are five broad optional approaches that can be deployed in change implementation. These may be applicable to all of the options given in the change pyramid but in practice offer maximum benefit for more major change initiatives such as those involving behaviour or cultural change. These are shown in Figure 2.4 and described in detail below.

Directive strategy: In this strategy the management can use its authority to impose the changes required and be able to carry them out speedily. However, the dis-



Figure 2.4 Strategies for change.

(From *Change Management and Organizational Performance*. S.A. Burtonshaw-Gunn and M.G. Salameh, ICAFI University Press, 2007a.)

advantage of this approach is that it is likely to increase resistance by those involved or even undermine the overall success of the change implementation.

Expert strategy: This approach is usually applied when a “technical” problem requires solving, such as the introduction of a new IT system, and as such is better suited to smaller technical or operational change than a wider cultural-change requirement. It is also appropriate that introducing technical changes does not easily lend itself to wider consultation as knowledge of the technical nuances may reside only with a limited number of individuals.

Negotiating strategy: This strategy involves a willingness to negotiate with individuals and teams affected

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by the change and to accept that adjustments and concessions may have to be made. Opting for this approach does not remove the management's responsibility for the direction and initiation of change but acknowledges that those affected have the right to have some input in the changes proposed, or that they have some power to resist it if they are not supportive. The advantage of selecting this approach is that resistance to the proposed change is likely to be reduced. However, such negotiation will add to the overall programme and the pre-implementation time may take longer. Changing work practices in return for increased pay and/or other benefits is a classic example of the negotiating strategy.

Educative strategy: This approach involves changing people's values and beliefs so that they support the change and are committed to a shared set of organizational values. Winning "hearts and minds" is a complex process that involves a mixture of activities such as: communication, persuasion, education, training and selection. The advantage of such an approach, if successful, is that people will be positively committed to the change. In general, this approach typically takes much longer and requires more resources than the previous three strategies described above.

Participative strategy: This strategy has a number of advantages in its implementation: changes are more likely to be widely acceptable over the other strategies; it promotes an active involvement of people and

is likely to increase their commitment to, and enthusiasm for, the change process. Additionally, there will be opportunities for both managers and employees to learn from the experiences and skills of this wide participation. While this has a number of advantages due to the participation of staff, the identified changes are likely to take longer and require additional resources to support the change.

While each of these five strategies may offer a number of primary approaches, which can be matched to the factors discussed above, it is suggested that the most appropriate change strategy for organizations that need to realize new values, processes and behaviours is through the use of a participative strategy. In addition, it is further suggested that the educative strategy of communication with staff, the primary customers, stakeholders and potential new customers should also be used to augment operational changes and harmonize support.

For any identified changes to be successfully adopted, merely introducing some new pieces of equipment, or a new process, is unlikely to have any major impact on the organization unless introduced as part of an overall and coordinated change process. When considering a major change programme both technical and managerial changes are likely to be widespread and have an impact on all of the elements of the organization, as shown in Figure 2.5.

A brief explanation of the elements of the organizational model by Kelvin Hard and how each is related

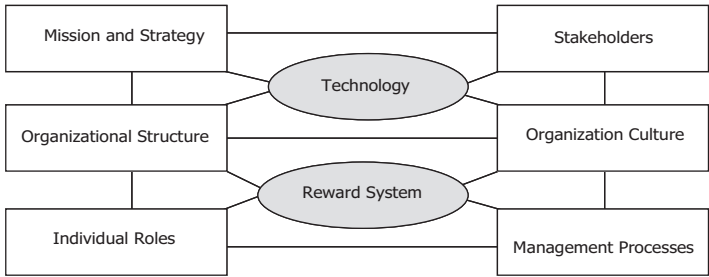


Figure 2.5 Major organizational components impacted by a change management programme.
 (Source: Kelvin Hard, *Developing the right organization*, in *Strategies for Human Resource Management*. M. Armstrong (ed.), Kogan Page Limited, 1994.)

specifically to an organization change programme is discussed below.

- The *mission and strategy* is an important element of the organization as it provides a clear declaration of intent and serves as a reference point to establishing any required changes. While the vision, mission and its strategic objectives may have been developed, a wider communication of these with staff will prevent confusion and ambiguity over the logic behind the proposed changes and the business’s long-term development plans. There is widespread evidence to show that publishing the mission statement whenever possible promotes its significance and relevance to employees’ day-to-day activities, such as in meetings, or exceeds customer’s expectations; fosters a manage-

rial culture that is customer-responsive; and contributes to individual and business performance.

- The support of the *stakeholders* is important for any change plan to be successful; this should not be restricted to the owners but should include all staff, principal customers, suppliers and others who provide support to the business in its day-to-day or long-term business activities.
- An *organization's culture* is one of the major influences that makes each business different. Typically, this is witnessed in its rules on behaviour; its beliefs about what is important and good for the organization; its management style and levels of authority; and finally the corporate image of the organization as portrayed as an employer or a customer. Clearly, the introduction of changes in an organization will have a subsequent impact on modifying its present culture, particularly if the business expands into new geographic markets.
- Development of the “right” *organization structure* in support of the business plan can lead to improvements in functional responsibility and business performance. Such changes can be implemented as part of the change management plan as and when the roles and responsibilities have been defined, when the selection and appointments to any new positions have been made and when existing staff development programmes have been agreed. The introduction of a new organization structure can be very emotive and

will often need careful planning. This should not be taken lightly as this will require senior management time and effort to help staff to understand their new roles and processes. Developing the organization structure may also be linked to the process mapping activities described in Chapter 1.

- The world is continually changing through business process improvements gained from the introduction of new *technology* and wider media connectivity; from a customer expectations viewpoint both of these increase the pressure on the business to perform efficiently. Any technology changes identified in a company's business plan must be seen to contribute to the main objectives, its stated mission and longer-term vision statement.
- All organizations are made up of *individual* people whose *roles* interact; as such the design of their roles is important and will be a key aspect in the organizational development of a company as it changes to embrace a new business focus. Within the context of a proposed change programme, work is often needed on new processes or new performance requirements to produce new job profiles, person specifications and requirements, and finally to undertake staff selection and consider their long-term development. Such learning and development should also focus on enhancing personnel operations to help to achieve higher standards of competence and performance.

- Depending on the company structure, some of the important *management processes* usually take place across the functional hierarchy such as planning and budgeting, systems development, succession planning, customer-related activities and management/staff development. In addition to these business processes, the importance of communication needs to be regarded as being of major importance for organizations undergoing a change programme. Indeed, for those undertaking large-scale change this should be regarded as being fundamental to preparing and implementing the identified changes in the company.
- The final element of the model of Figure 2.5 is that of *reward systems*. These are an important part of any organization's attractiveness and ability to encourage people to become and remain as its employees; to secure a level of commitment and effort; to encourage the necessary behaviour to support the organization performance targets; and finally to support flexibility, creativity and innovation as the organization develops.

CHANGE MANAGEMENT PLANNING

Having considered and selected the most appropriate change strategy and described the elements that need to be acknowledged as part of the change process with

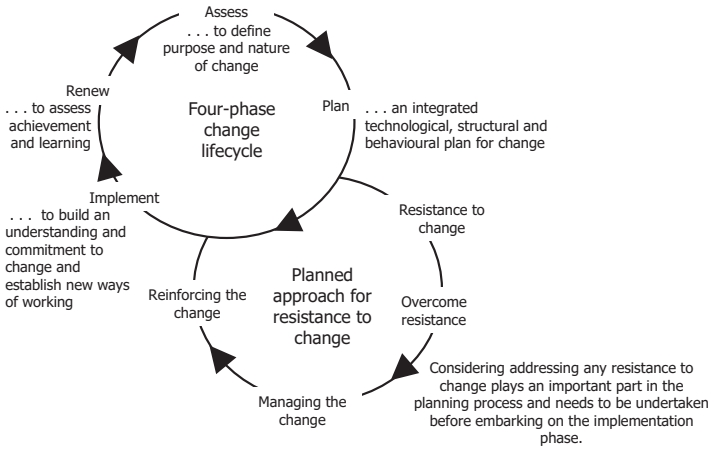


Figure 2.6 Planning organizational change.
 (From *The Essential Management Toolbox: Tools, Models and Notes for Managers and Consultants*. S.A. Burtonshaw-Gunn, 2008, reproduced with permission.)

respect to individuals and the organization itself, the model of Figure 2.6 illustrates how the change programme may be implemented. In line with any quality management philosophy of “plan–do–review”, implementing change is no different as it also needs to be assessed, planned, implemented and reviewed.

The model in Figure 2.6 not only illustrates the phases of the change cycle but also recognizes that resistance to change needs to be acknowledged and professionally managed.

Research suggests that for those implementing a change programme there are three inter-related skills

categories which managers need to possess in order to promote effective change. These are:

1. *Transforming skills* where managers need to be able to create a supportive risk-taking environment, have self-awareness and self-confidence. They will need to possess the ability to share the benefits that the change will bring and the journey needed to undertake this through visualization techniques.
2. *Mental skills* will require managers to think holistically and help others to see the “big picture”. These managers will be able to work with rules of thumb based on action learning.
3. Managers in a change environment will be required to have the “softer” skills of *empathy and understanding of feelings*. Often these will be witnessed through the use of symbols, analogies and metaphors to relate to the change process and will need the ability to tolerate stress and resist confronting every issue. These skills demand use of both left and right side brain techniques.

It should be noted that as improved performance is often a goal in undertaking a change management programme this can only be delivered by people and as such Chapter 3 seeks to share some useful models applicable to people-focused performance management. The next model of this chapter is used to describe a practical large-scale change programme where typical key activities may be undertaken in the three phases. While there will be

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some deviation to accommodate local business, cultural or stakeholders' requirements, this three-phase model provides a good basis for those planning change and defining a practical approach in its undertaking. This model is a practical adoption of the theory of “unfreezing, transformation and re-freezing” from Kurt Lewin’s model of change developed as early as 1947. The three proposed phases are outlined in Figure 2.7 and the specific details of an actual change programme are then described below. It should also be noted that after these major changes have been implemented, smaller incremental changes will

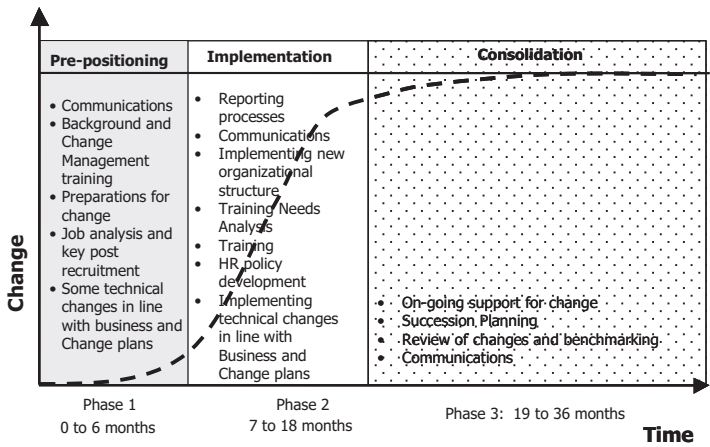


Figure 2.7 Large-scale change management aligned to phases of a programme.

(From *Change Management and Organizational Performance*. S.A. Burtonshaw-Gunn and M.G. Salameh, ICAFI University Press, 2007a.)

often follow on as part of a philosophy of not as “change management” but as continual business improvement.

Phase 1: Organizational pre-positioning: The first phase can typically be of six months’ duration and should focus on the preparations for change through communications with staff and stakeholders. In addition, it can consist of some initial job analysis including preparation of job descriptions for the introduction of a new organization structure and the delivery of general change management awareness training to staff. This phase is aimed at preparing the organization for change and managing the associated risks and benefits. The main activities in this phase are described below.

Communications: A fundamental aspect of expediting a change process throughout the implementation phase will be developing an initial awareness and understanding at an early stage as to why such a change management process is required and the benefits to be gained at organizational, team and individual performance levels. Clearly, this pre-positioning work is fundamental in shaping and successfully delivering the required knowledge to take the organization from its current business mode of operation through to achieving its desired higher performing business vision. Such pre-positioning will also allow reinforcement of the key strategic messages behind the change

management implementation plan and how business critical functions are an integral part of realizing an organization which is commercially attractive and transparently accountable. From practical experience, at no point throughout the communications cycle should the change management implementation timeframe be delivered in anything but the most realistic terms. If this is not the case, it can severely hinder the level of employee commitment and the credibility of the programme and transformation to be embedded.

General awareness training and analysis: The first stage of designing a focused and relevant training and learning agenda is to ensure that the activities are aimed at raising awareness of the appropriate skills and knowledge required. A training needs analysis (TNA) is usually a good starting point and can be undertaken in conjunction with a detailed cultural audit of the organization, using competency frameworks and job profiles of the identified jobs in any proposed future structure. All managers will be required to provide information on individuals, using a framework of the competencies for each job profile. In addition to information on employees, the business strategy and objectives will also determine the key areas required to deliver the planned changes and improved organizational processes. The combination of the data will provide the basis for a generic

training plan, recognize individual development needs of the staff and establish a priority for delivery. The training focus early in this first phase will generally be concerned with creating an organization-wide awareness of the drivers for change, the need to adapt to a changing competitive environment and promoting the fact that the programme has strong commitment and leadership from the senior management of the organization. The programme may also need to include a foundation level customer service training and commercial awareness module for all staff to meet a defined standard and to address current levels of customer service provision.

Job analysis and organization structure preparations: At this initial phase of the change management programme, it is proposed that the organization structure will only be beginning its transition; however, integral to this will be a job analysis of the key post-holders to aid the preparations for structuring the new organization. This is an important exercise for the organization in establishing where the core knowledge and experience lies and among which key individuals or areas this is vested. If the change objective is proposing to adopt a number of new business practices and processes aimed at providing the organization with improved business performance, then conducting a job analysis across the complete

spectrum of strategic organizational roles and responsibilities will also need to be undertaken at the earliest opportunity. This personnel information will provide the necessary data to help structure a personal and collective performance framework in line with the organization's planned changes and future business performance goals.

HR environment: A strategic HRM approach has a very different ethos to purely the existence of a limited HR function. The key distinction is that it cannot be imposed as part of a short-term change management objective, but needs to be progressively developed as a core functional capability over a longer term; ideally focused around an experience-based learning culture. It is important that the HR function is sufficiently cohesive and achieves an appropriate level of change awareness in Phase 1, as it will be instrumental in helping both to reduce resistance to proposed changes by providing a safe learning environment and to communicate supportive messages to which it will also be committed. To promote a consistent and fair approach to organizational and functional development, there will need to be created an ongoing coordination forum with representatives from all the functions, focused on involvement in managing the HRM impacts of the wider strategic change plan. Depending on the organization, this is likely to include depart-

ments such as finance, technical services, operations, support services and business development.

Technical change implementation: It may be appropriate to introduce a number of the technical changes identified in the business and change management plans within the timescale of Phase 1. However, the majority of these technical changes are often best suited to be implemented in Phase 2 after the change management training and major communications events have pre-positioned the organization and prepared the staff to anticipate and become involved in the proposed changes.

Phase 2: Change management plan implementation: Moving to Phase 2 will cover the next 12 month period on completion of Phase 1. The focus now should be on the implementation of the changes against the agreed plans and the business objectives. During this phase, progress of the implementation should be regularly reported to the senior managers, staff and stakeholders (and shareholders if applicable). The main activities in this second phase are as follows.

Communications: During the second phase, the communications emphasis will move from preparation of the employees for change to an ongoing process of reinforcement of the corporate message and cultural values throughout the three-phase programme. One of the most effective means for doing this will be to utilize an ongoing learning and development arena, which will afford the

opportunity to review all aspects of the organizational development at key critical process milestones. Additionally, this can also be fed back as part of the organizational learning and development cycle. This ongoing review cycle when linked to skills transfer activities will also allow the identification of areas where there are gaps or a perceived lack of clarity over the direction the organization is taking. It is likely that this will highlight whether there is a need for a number of ongoing communication events reporting key strategic decisions and explaining how each fits with the change management strategy.

Training design and delivery: Long-term training needs should be linked back to the initial TNA undertaken as part of Phase 1 work. Once the data have been analysed, suitable programmes can then be designed for all staff. This is likely to cover a variety of methods through which the training agenda will be delivered; however, while this may be at the organization's site there may be valid reasons for another venue, for example if benchmarking against another external organization or joint collaboration – in such circumstances a neutral territory may prove more appropriate. Indeed, the provision of a conducive training environment and facilities, along with the alignment of the learning activities with the business

needs, should deliver improved performance in customer standards, commercial awareness and technical operations and in supporting the organization's identified change programme to meet its identified business needs.

Organizational implementation: During Phase 1, the first of the organizational changes will have been prepared which can then be implemented as part of this second phase. The identification of positions within the organizational structure and the match to existing employees will be undertaken as part of the task analysis and job profiling exercise in this phase. As the organization's task analysis is completed, further appointments can be made and the organizational structure may also change again during the final third phase.

HR environment: To achieve its mission, vision and objectives, any organization must seek to realize the full potential of all of its employees to ensure that it is seen to be a "preferred" employer within the community and is able to contribute to business performance financial growth. By valuing its staff, the organization in this second phase will enhance its creativity and its ability to adapt to change, and increase its overall performance. Achieving these business objectives will contribute to improving its competitive position and increase the prospects of growing the business further.

Organizational health and safety: The primary and continuing policy of any company is that, in the conduct of its business, it will need to continue to achieve standards of health and safety for its employees, customers and others affected by its business operations that are equivalent to best practice in each area of its activities. To achieve the requirements of this business policy, the company may initiate a number of objectives to be fulfilled, both in terms of legal requirements and to satisfy the organization's own standards. These objectives are likely to be:

- to ensure that all employees are aware of their responsibilities for health and safety standards
- to encourage the active participation of all members of staff in continuously improving their work environment;
- to ensure that all contractors, suppliers and others undertaking activities for the business are briefed on their health and safety obligations and responsibilities and also that they thereafter operate proper systems to ensure that standards are maintained;
- to analyse continuously the risks faced by the organization and prepare, update and revise systems of work and emergency plans to meet such risks.

Phase 3: Ongoing support and consolidation phase:

The final phase will typically last for a further 18

months following on from Phase 2 and will need to concentrate on continual support and improvements as the changes become embedded within the organization and are regarded as the organization's new culture. This longer-term third phase is important for the changes to be successfully accepted within the transformed organizational structure and for employees to understand their roles and contribute to future performance of the business. The main activities in this final phase are as follows.

Communication: Continued employee involvement and consultation through a rolling communications programme will need to be developed in this final phase to assure the employees of the importance of the changes, how they can be involved and how they can support the changes to the business. In addition, the organization's management will need to assist this process further through open dialogues with staff and by conducting research into their concerns and reacting to the findings.

Training review and feedback: In order to ensure that the training provided is up to date and relevant, a review of all provisions should be conducted at the end of each business plan year. All employees who have attended any type of training should be encouraged to give feedback on its success – this should be seen to be of value to management and not just the completion of the “happy sheets” so

often witnessed in large organizations. As the changes mature, consideration may also be given to the implementation of a total quality management (TQM) approach as part of a drive for improved performance through technology and increased staff competency and performance standards.

HR environment: In the third phase, the HR director will typically need to work with all parties to develop a series of HR policies that reflect both the current conditions and the future goals of the company. These will cover, for example, staff forums and grievance procedures, reward policy, succession planning, health and safety, corporate responsibility and ethics. While striving to achieve the goals of the organization, the HR function will need to remain alert and prepared to respond from an organizational perspective to any potential external threats and opportunities which may support or hinder the organization's business performance.

Succession planning: The earlier job analysis from Phase 2 can be used to identify key post-holder replacements and job profiles containing the principal activities and accountabilities together with their associated competencies and technical knowledge. This can be used as the foundation of selection for new jobs and vacancies after the change transition. A lack of a strategic approach to succession planning will expose key organizational roles and skills to significant risk within the context of the

future operating structure. At this final stage, the senior management team will need to understand “change” in totality and must be equipped to manage the unforeseen impacts of natural attrition and loss of key members of the organizational team for career development reasons. Active succession planning is one of the approaches aimed at alleviating these operational and business risks.

MANAGING CHANGE AND PEOPLE

Having looked at some approaches to change, its impact on the many aspects of the organization, planning change and now the components of a large-scale change programme, this chapter now moves to present three models around managing the resistance to change. With few exceptions, people’s reaction to change will follow the change curve shown in Figure 2.8, itself influenced by issues around security, status and self esteem.

Clearly, implementing change needs to be planned, executed, reported and reviewed for it to be successful and appropriate to the business. The change curve is sometimes referred to as the “loss transition curve” and was derived by Dr Elizabeth Kübler-Ross’s studies into bereavement, first published in 1969 and later embraced as part of organizational management theory. Before considering change – what type of change, how to do it, identifying

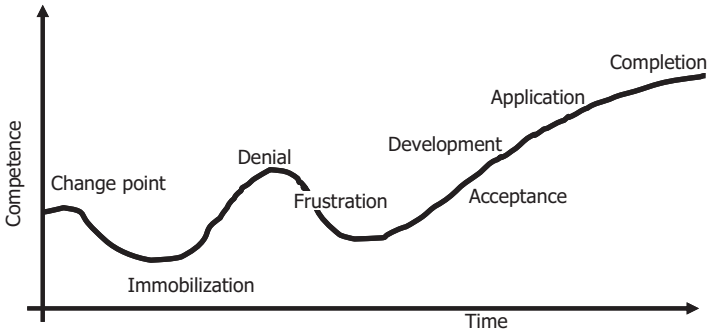


Figure 2.8 Change curve.

(From *The Essential Management Toolbox: Tools, Models and Notes for Managers and Consultants*. S.A. Burtonshaw-Gunn, 2008, reproduced with permission.)

who is to be involved or who is affected by any changes – two points need to be made. First, it is absolutely crucial to gain the most senior level support, ownership and commitment as any change management plan is destined to fail unless visibly supported by the senior management of the organization. Second, acceptance is needed within the organization that such recommended change is seen as being appropriate for the specific organization. On this basis, acceptance by the management of integrated business plan objectives will then allow them to consider the type of change strategy best suited to pursue a new direction or initiate changes necessary to facilitate increased organizational performance.

In agreeing an appropriate strategy, or combination of strategies, for change, the organization's management will need to take into account the following factors:

- The urgency of the situation.
- The degree of the opposition expected.
- The power base of the change initiator.
- The existing transparency of information and ease of communication.
- Demonstrable examples of commitment to integrated planning during the change programme.
- The nature of the current organization's culture and its likely response to change.

While there are a number of models to assist individuals in the change process, it should be noted that reactions to change can be categorized as one of four groups. These categories range from those individuals who openly resist the change and may even try to prevent it to those who merely go along with the change but may not be committed to being part of its success. The four categories of resistance are described below:

- **Protesters:** Who openly make their objections known to the organization and colleagues; however, once issues are identified they can be considered and managed.
- **Zombies:** Have no strong opinion and are happy to go along with any proposed changes without offering any constructive comment.
- **Saboteurs:** Like to show that the old ways were fine, openly find fault with any new systems or process change and seek opportunities to make the change fail.

- **Survivors:** Accept the change and make best use of any new situation for their own advantage.

Knowledge of these groups can help managers to recognize an individual’s resistance to change and hence provide a better chance of managing the change process without further resistance. Indeed, the level of resistance to change is normally related to the magnitude of the change required and while there are often issues around perceived job security the level of resistance influences the speed of the undertaking. Figure 2.9 presents a matrix of emotional issues which provides some guidance in addressing resistance and adoptability to the planned changes.

Figure 2.10 is the third model with respect to resistance to change and covers the relationship between change and security which re-emphasizes some common

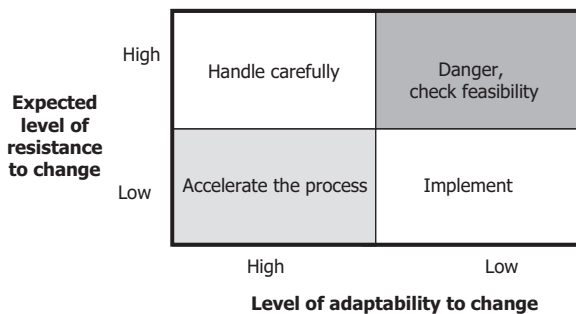


Figure 2.9 Matrix of emotional issues.
 (From *The Ten Keys to Successful Change Management*. J. Pendlebury et al., 1998, reproduced with permission.)

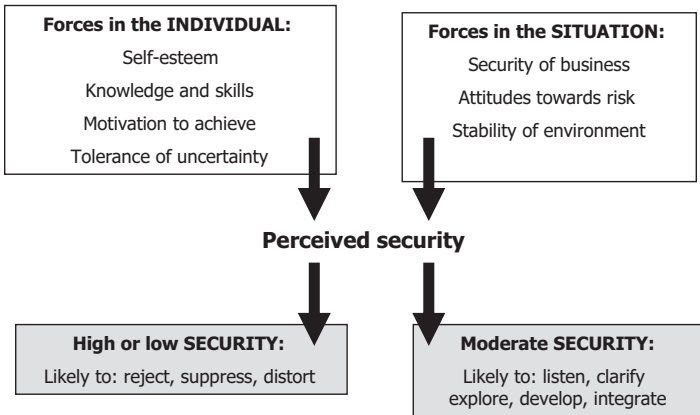


Figure 2.10 Security and change.

(From *The Essential Management Toolbox: Tools, Models and Notes for Managers and Consultants*. S.A. Burtonshaw-Gunn, 2008, reproduced with permission.)

factors that play a role in perceived security together with typical respondents' behaviour. For those involved in initiating or implementing a change programme, knowledge of the perceived security issues needs to be understood as this will aid communications and allow the most appropriate approach to be selected aimed at gaining support from those affected.

Forces – both within individuals and within organizations – contribute to the degree of security and can promote feelings of either insecurity or high security. In turn, these feelings can lead to contrasting responses to the planned organizational change. As such, it is important to recognize that the forces that contribute to the

culture and the attitudes of the individuals within the organization are key to establishing a high degree of security which will support a positive response to organizational change and hence contribute to future business performance. The factors contributing to culture and individual performance are discussed later in Figure 4.3.

From the models described in this chapter, it would not be an exaggeration to say that there is no other topic in management that impacts on the whole of the business operation as much as change management and consequential organizational development: from business planning, production, improvement processes, quality systems; from marketing through to customer relationship management; and from a personnel viewpoint covering both individual performance and team working. The topic of change and organizational development (OD) should not be merely considered to be the production of a company's organogram – it is clearly far more than this. Organizational development involves understanding the culture of the company, identifying its strengths and opportunities and trying to minimize its weakness and any real (or perceived) threats throughout the whole company.

Having discussed some models around change and OD it has to be said that “change” *per se* has now become a regular feature of business life as part of the desire for continual increased business performance and the ever-important need to demonstrate a growth in shareholder value. However, change management strategies have quite often been too rapidly internalized and wrongly com-

municated, usually resulting in a knee-jerk response which links demand for increased performance purely with the consequential financial benefits. It is stressed that successful management of the resistance to change reflected in the earlier quotation from *The Prince* by Machiavelli published almost 500 years ago is the critical factor to achieving any degree of long-term and lasting success. While it may be difficult to undertake change, the words of President John F. Kennedy suggest that those that fail to embrace change will have a limited future with his statement: “Change is the law of life and those who look only to the past or present are certain to miss the future”. Perhaps this is also a good message for today’s business managers.

For change to succeed, a corporately social environment needs to be fostered which truly encourages and rewards organizational leaders for maintaining high organizational performance and promoting the right behavioural environment, culture and values. Implementation of change often results in periods of organizational tension, however; in that state of flux those leading the change management process must not mistakenly overlook the huge return on investment to business from harnessing the intuitive skills of its most valuable resource – its people. Change can only become successful when people are engaged and committed to its planned outcomes (see also Chapter 3).

It is also worth noting that without careful consideration of the interconnectedness of the behavioural

factors that affect so much of an organization's culture, any lasting improved performance will become an elusive goal and any related change in culture will have no lasting value and thus be transient in its nature. Therefore, improved organizational performance is about not only the application of hard and fast rules for achievement, but rather an acceptance and ownership of the impact these factors have in shaping organizational behaviours during periods of change. If change management objectives and performance management targets are not seen to be remotely achievable they can unintentionally prevent organizations creating the conditions necessary for gaining an improved and sustainable performance while fuelling at the same time Machiavellian protectionist and defensive behaviours.