

# Chapter MP3 script 24

## Managing Change: Key Concepts

In this recording we summarise the content of chapter 24 Managing Change: Key Concepts. Studying this chapter should help you describe the main theoretical foundations of change management; explain the planned and the emergent approach to change; discuss the common change management models; Understand resistance to change; .

Introducing the chapter, the authors start with 1. Change is fundamental in order to guarantee long-term success within an organization. Senior and Swales (2010) suggest those of us who work in organizations, sometime or another, get caught up in the need for change. In our previous discussions about contingency theory we noted that the organization must align itself with its environment. We only have to look briefly at today's environment to note constant change. Most contemporary management scholars and practitioners agree that the amount, pace, unpredictability and impact of change are greater than ever before. New products, processes and services have appeared at an ever increasing rate. Local markets have become global markets and industries have been opened up to competition.

2. Within organisations we have observed restructuring, delayering, fragmentation, outsourcing, culture change programmes, business process reengineering, the implementation of enterprise systems, empowerment strategies, the development of competences and capabilities, new business models and the introduction of new products and services. Yet perhaps the major organizational changes observed over the past twenty years may be better known for their failure than their success. Changes can take longer to implement than planned (time problems); may not live up to expectations (quality problems) or may cost more to implement than was budgeted (cost overrun problems). There is little doubt then that managing change is very difficult and risky. Change management requires an interdisciplinary perspective and an understanding of organisation, strategy, change, systems, psychological and sociological theories.

3. Before attempting to change something, managers must understand what it is they intend to change. They must also be aware of intervention strategies, alternative solutions and how to overcome resistance to change. We start by defining change and exploring what it is that can and usually is changed within organizations. Several change types are identified and the need for change discussed. In recognition of the absence of a single universal change theory we explore a number of related theories used in change management. A variety of models are discussed. In the next chapter we consider the role of the change agent and the challenges associated with implementing change, particularly in the face of resistance and the context of complexities associated with contemporary organizations..

The key concepts discussed within this chapter are:

Change model - an abstract representation describing the content or process of changes; Continuous Change - organizational changes that tend to be ongoing, evolving, and cumulative; Episodic Change - organizational changes that tend to be infrequent, discontinuous, and intentional; Force-field analysis - a process of identifying and analysing the driving and restraining forces associated with a change; Organizational change - the alteration of organizational components (such as the mission, strategy, goals, structure, processes, systems, technology and people) to improve the effectiveness or efficiency of the organization; Readiness for change - a predisposition to welcome and embrace change.; Resistance to change - the desire not to pursue change; .

Other terms discussed include:

7- S model; Systems thinking; Transactional change; Transformational change; Trigger of change; .

Summarising and concluding, the author(s) make the following comments - 27. Organizational change concerns the alteration of organizational components (such as the mission, strategy, goals, structure, processes, systems, technology and people) to improve the effectiveness or efficiency of the

organization. Change may take place in any part and at any level of the organization. When we think of organisational change, we may think of significant changes aimed at making the organisation more effective or smaller (efficiency based) changes such as departmental reorganisations, the implementation of new technologies and systems. The primary needs for change derive from the need for alignment between the organizations' internal and external environments. Diagnosis (Through models such as the McKinsey 7-S model, the Nadler and Tushman congruence framework and the Burke-Litwin model) is used to motivate and determine what to change. Having established the need for change, change initiators then consider whether the organisation is in fact ready for change. Lewin concluded that the change process needs to follow a three-step procedure: unfreezing, moving and refreezing. Many change agents use force-field analysis as an analytical tool to understand the dynamics of change..

We have now reached the end of the chapter 'Managing Change: Key Concepts'.

There are a number of references for this chapter where further reading opportunities are identified for you.