Change Management

Key concepts and terms

- Change agent
- Field force analysis
- Incremental change
- Organizational transformation
- Strategic change
- Transformational change

- Change management
- Gamma change
- Operational change
- Second order change
- Transactional change

Learning outcomes

On completing this chapter you should be able to define these key concepts. You should also know about:

- Types of change
- Change models
- Overcoming resistance to change
- Strategies for organizational transformation
- The change process
- Reasons for resistance to change
- Implementing change
- The role of HR in managing change

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Introduction

Change management is defined as the process of achieving the smooth implementation of change by planning and introducing it systematically, taking into account the likelihood of it being resisted.

Change, it is often said, is the only thing that remains constant in organizations. As A P Sloan wrote in *My Years with General Motors* (1967) 'The circumstances of an ever-changing market and an ever-changing product are capable of breaking any business organization if that organization is unprepared for change.' Change cannot just be allowed to happen. It needs to be managed.

As described in this chapter, to manage change it is first necessary to understand the types of change and how the process works. It is important to bear in mind that while those wanting change need to be constant about ends, they have to be flexible about means. This requires them to come to an understanding of the various models of change that have been developed and of the factors that create resistance to change and how to minimize such resistance. In the light of an understanding of these models and the phenomenon of resistance to change they will be better equipped to make use of the guidelines for change set out in this chapter.

Change often takes place incrementally but it can take the form of a transformation of the organization, and the considerations affecting the management of transformational change are discussed in the penultimate section of the chapter. The role of HR in managing change is examined in the last section of the chapter.

Types of change

There are three types of change: strategic, operational and transformational.

I. Strategic change

Strategic change is concerned with broad, long-term and organization-wide issues involving change. It is about moving to a future state that has been defined generally in terms of strategic vision and scope. It will cover the purpose and mission of the organization, its corporate philosophy on such matters as growth, quality, innovation and values concerning employees and customers, competitive positioning and strategic goals for achieving and maintaining competitive advantage and for product-market development. These goals are supported by policies concerning marketing, sales, manufacturing, product and process development, finance and human resource management.

Strategic change takes place within the context of the external competitive, economic and social environment, and the organization's internal resources, capabilities, culture, structure

and systems. Its successful implementation requires thorough analysis and understanding of these factors in the formulation and planning stages. The ultimate achievement of sustainable competitive advantage relies on the qualities defined by Pettigrew and Whipp (1991), namely 'The capacity of the firm to identify and understand the competitive forces in play and how they change over time, linked to the competence of a business to mobilize and manage the resources necessary for the chosen competitive response through time.'

Strategic change, however, should not be treated simplistically as a linear process of getting from A to B that can be planned and executed as a logical sequence of events. Pettigrew and Whipp (1991) issued the following warning based on their research into competitiveness and managing change in the motor, financial services, insurance and publishing industries.

Pettigrew and Whipp (1991) on strategic change

The process by which strategic changes are made seldom moves directly through neat, successive stages of analysis, choice and implementation. Changes in the firm's environment persistently threaten the course and logic of strategic changes: dilemma abounds... We conclude that one of the defining features of the process, in so far as management action is concerned, is ambiguity; seldom is there an easily isolated logic to strategic change. Instead, that process may derive its motive force from an amalgam of economic, personal and political imperatives. Their introduction through time requires that those responsible for managing that process make continual assessments, repeated choices and multiple adjustments.

2. Operational change

Operational change relates to new systems, procedures, structures or technology that will have an immediate effect on working arrangements within a part of the organization. But its impact on people can be more significant than broader strategic change and it has to be handled just as carefully.

3. Transformational change

Transformational change takes place when there are fundamental and comprehensive changes in structures, processes and behaviours that have a dramatic effect on the ways in which the organization functions.

The change process

Conceptually, the change process starts with an awareness of the need for change. An analysis of this situation and the factors that have created it leads to a diagnosis of their distinctive characteristics and an indication of the direction in which action needs to be taken. Possible courses of action can then be identified and evaluated and a choice made of the preferred action.

It is then necessary to decide how to get from here to there. Managing change during this transition state is a critical phase in the change process. It is here that the problems of introducing change emerge and have to be managed. These problems can include resistance to change, low stability, high levels of stress, misdirected energy, conflict and loss of momentum. Hence the need to do everything possible to anticipate reactions and likely impediments to the introduction of change.

The installation stage can also be painful. When planning change there is a tendency for people to think that it will be an entirely logical and linear process of going from A to B. It is not like that at all. As described by Pettigrew and Whipp (1991), the implementation of change is an 'iterative, cumulative and reformulation-in-use process'.

Change models

The best known change models are those developed by Lewin (1951) and Beckhard (1969). But other important contributions to an understanding of the mechanisms for change have been made by Thurley (1979), Bandura (1986) and Beer *et al* (1990).

Lewin

The basic mechanisms for managing change as set out by Lewin (1951) are:

- Unfreezing altering the present stable equilibrium that supports existing behaviours and attitudes. This process must take account of the inherent threats change presents to people and the need to motivate those affected to attain the natural state of equilibrium by accepting change.
- Changing developing new responses based on new information.
- Refreezing stabilizing the change by introducing the new responses into the personalities of those concerned.

Lewin also suggested a methodology for analysing change that he called 'field force analysis'.

Field force analysis, Lewin (1951)

- Analyse the restraining or driving forces which will affect the transition to the future state these restraining forces will include the reactions of those who see change as unnecessary or as constituting a threat.
- Assess which of the driving or restraining forces are critical.
- Take steps both to increase the critical driving forces and to decrease the critical restraining forces.

Beckhard

According to Beckhard (1969), a change programme should incorporate the following processes.

Change programme processes, Beckhard (1969)

- Set goals and define the future state or organizational conditions desired after the change.
- Diagnose the present condition in relation to these goals.
- Define the transition state activities and commitments required to meet the future state.
- Develop strategies and action plans for managing this transition in the light of an analysis of the factors likely to affect the introduction of change.

Thurley

SOURCE REVIEW

Thurley (1979) described the following five approaches to managing change.

Approaches to managing change, Thurley (1979)

- 1. Directive the imposition of change in crisis situations or when other methods have failed. This is done by the exercise of managerial power without consultation.
- 2. Bargained this approach recognizes that power is shared between the employer and the employed and change requires negotiation, compromise and agreement before being implemented.
- 3. 'Hearts and minds' an all-embracing thrust to change the attitudes, values and beliefs of the whole workforce. This 'normative' approach (ie one that starts from a definition of what management thinks is right or 'normal') seeks 'commitment' and 'shared vision' but does not necessarily include involvement or participation.
- 4. Analytical a theoretical approach to the change process using models of change such as those described above. It proceeds sequentially from the analysis and diagnosis of the situation, through the setting of objectives, the design of the change process, the evaluation of the results and, finally, the determination of the objectives for the next stage in the change process. This is the rational and logical approach much favoured by consultants external and internal. But change seldom proceeds as smoothly as this model would suggest. Emotions, power politics and external pressures mean that the rational approach, although it might be the right way to start, is difficult to sustain.
- 5. Action-based this recognizes that the way managers behave in practice bears little resemblance to the analytical, theoretical model. The distinction between managerial thought and managerial action blurs in practice to the point of invisibility. What managers think is what they do. Real life therefore often results in a 'ready, aim, fire' approach to change management. This typical approach to change starts with a broad belief that some sort of problem exists, although it may not be well defined. The identification of the nature of the problem and a shared understanding of a possible optimal solution, or at least a framework within which solutions can be discovered.

Bandura

The ways in which people change was described by Bandura (1986). He suggested that people make conscious choices about their behaviours. The information people use to make their

choices comes from their environment, and their choices are based upon the things that are important to them, the views they have about their own abilities to behave in certain ways and the consequences they think will accrue to whatever behaviour they decide to engage in.

For those concerned with change management, the implications of Bandura's concept of change (which is linked to expectancy theory) are that:

- the tighter the link between a particular behaviour and a particular outcome, the more likely it is that we will engage in that behaviour;
- the more desirable the outcome, the more likely it is that we will engage in behaviour that we believe will lead to it;
- the more confident we are that we can actually assume a new behaviour, the more likely we are to try it.

To change people's behaviour, therefore, we have first to change the environment within which they work; second, convince them that the new behaviour is something they can accomplish (training is important); and third, persuade them that it will lead to an outcome that they will value. None of these steps is easy.

Beer et al

Michael Beer (1990) and his colleagues suggested in a seminal *Harvard Business Review* article, 'Why change programs don't produce change', that most such programmes are guided by a theory of change that is fundamentally flawed. This theory states that changes in attitudes lead to changes in behaviour. 'According to this model, change is like a conversion experience. Once people get religion, changes in their behaviour will surely follow.' They believe that this theory gets the change process exactly backwards and made the following comment on it.

Beer et al (1990) on change

In fact, individual behaviour is powerfully shaped by the organizational roles people play. The most effective way to change behaviour, therefore, is to put people into a new organizational context, which imposes new roles, responsibilities and relationships on them. This creates a situation that in a sense 'forces' new attitudes and behaviour on people. They prescribe six steps to effective change that concentrate on what they call 'task alignment' – reorganizing employees' roles, responsibilities and relationships to solve specific business problems in small units where goals and tasks can be clearly defined. The aim of following the overlapping steps is to build a self-reinforcing cycle of commitment, coordination and competence.

Steps to achieving change, Beer et al (1990)

- 1. Mobilize commitment to change through the joint analysis of problems.
- 2. Develop a shared vision of how to organize and manage to achieve goals such as competitiveness.
- 3. Foster consensus for the new vision, competence to enact it, and cohesion to move it along.
- 4. Spread revitalization to all departments without pushing it from the top don't force the issue, let each department find its own way to the new organization.
- 5. Institutionalize revitalization through formal policies, systems and structures.
- 6. Monitor and adjust strategies in response to problems in the revitalization process.

Resistance to change

People resist change because it is seen as a threat to familiar patterns of behaviour as well as to status and financial rewards. Woodward (1968) made this point clearly.

SOURCE REVIEW

SOURCE REVIEW

Joan Woodward (1968) on resistance to change

When we talk about resistance to change we tend to imply that management is always rational in changing its direction, and that employees are stupid, emotional or irrational in not responding in the way they should. But if an individual is going to be worse off, explicitly or implicitly, when the proposed changes have been made, any resistance is entirely rational in terms of his [*sic*] own best interest. The interests of the organization and the individual do not always coincide. However, some people will welcome change as an opportunity. These need to be identified and where feasible they can be used to help in the introduction of change as change agents. Specifically, the main reasons for resisting charge are as follows:

- The shock of the new people are suspicious of anything that they perceive will upset their established routines, methods of working or conditions of employment. They do not want to lose the security of what is familiar to them. They may not believe statements by management that the change is for their benefit as well as that of the organization; sometimes with good reason. They may feel that management has ulterior motives and sometimes, the louder the protestations of management, the less they will be believed.
- Economic fears loss of money, threats to job security.
- Inconvenience the change will make life more difficult.
- Uncertainty change can be worrying because of uncertainty about its likely impact.
- Symbolic fears a small change that may affect some treasured symbol, such as a separate office or a reserved parking space, may symbolize big ones, especially when employees are uncertain about how extensive the programme of change will be.
- Threat to interpersonal relationships anything that disrupts the customary social relationships and standards of the group will be resisted.
- Threat to status or skill the change is perceived as reducing the status of individuals or as de-skilling them.
- Competence fears concern about the ability to cope with new demands or to acquire new skills.

Overcoming resistance to change

Resistance to change can be difficult to overcome even when it is not detrimental to those concerned. But the attempt must be made. The first step is to analyse the potential impact of change by considering how it will affect people in their jobs. The reasons for resisting change set out above can be used as a checklist of where there may be problems, generally, with groups or with individuals.

The analysis should indicate what aspects of the proposed change may be supported generally or by specified individuals and which aspects may be resisted. So far as possible, the potentially hostile or negative reactions of people and the reasons for them should be identified. It is necessary to try to understand the likely feelings and fears of those affected so that unnecessary worries can be relieved and, as far as possible, ambiguities can be resolved. In making this analysis, the individual introducing the change – the change agent – should recognize that new ideas are likely to be suspect and should make ample provision for the discussion of reactions to proposals to ensure complete understanding of them.

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Involvement in the change process gives people the chance to raise and resolve their concerns and make suggestions about the form of the change and how it should be introduced. The aim is to get 'ownership' – a feeling amongst people that the change is something that they are happy to live with because they have been involved in its planning and introduction – it has become *their* change.

A communication strategy to explain the proposed change should be prepared and implemented so that unnecessary fears are allayed. All the available channels, as described in Chapter 57, should be used but face-to-face communication direct from managers to individuals or through a team briefing system are best.

Implementing change

SOURCE REVIEW

The following guidelines on implementing change were produced by Nadler and Tushman (1980).

Guidelines on implementing change, Nadler and Tushman (1980)

- Motivate in order to achieve changes in behaviour by individuals.
- Manage the transition by making organizational arrangements designed to assure that control is maintained during and after the transition and by developing and communicating a clear image of the future.
- Shape the political dynamics of change so that power centres develop that support the change rather than block it.
- Build in stability of structures and processes to serve as anchors for people to hold on to – organizations and individuals can only stand so much uncertainty and turbulence, hence the emphasis by Quinn (1980) on the need for an incremental approach.

The change process will take place more smoothly with the help of credible change agents – internal or external. These are people who facilitate change by providing advice and support on its introduction and management. It is often assumed that only people from outside the organization can take on the change agent role because they are independent and do not 'carry any baggage'. They can be useful, but people from within the firm who are respected and cred-ible can do the job well. This is often the role of HR specialists, but the use of line managers adds extra value.

Guidelines for change management

- The achievement of sustainable change requires strong commitment and visionary leadership from the top.
- Understanding is necessary of the culture of the organization and the levers for change that are most likely to be effective in that culture.
- Those concerned with managing change at all levels should have the temperament and leadership skills appropriate to the circumstances of the organization and its change strategies.
- Change is more likely to be successful if there is a 'burning platform' to justify it, ie a powerful and convincing reason for change.
- People support what they help to create. Commitment to change is improved if those affected by change are allowed to participate as fully as possible in planning and implementing it. The aim should be to get them to 'own' the change as something they want and will be glad to live with.
- The reward system should encourage innovation and recognize success in achieving change.
- Change will always involve failure as well as success. The failures must be expected and learnt from.
- Hard evidence and data on the need for change are the most powerful tools for its achievement, but establishing the need for change is easier than deciding how to satisfy it.
- It is easier to change behaviour by changing processes, structure and systems than to change attitudes or the organizational culture.
- There are always people in organizations who can act as champions of change. They will welcome the challenges and opportunities that change can provide. They are the ones to be chosen as change agents.
- Resistance to change is inevitable if the individuals concerned feel that they are going to be worse off implicitly or explicitly. The inept management of change will produce that reaction.
- In an age of global competition, technological innovation, turbulence, discontinuity, even chaos, change is inevitable and necessary. The organization must do all it can to explain why change is essential and how it will affect everyone. Moreover, every effort must be made to protect the interests of those affected by change.

Organizational transformation

Organizational transformation is defined by Cummins and Worley (2005) as 'A process of radically altering the organization's strategic direction, including fundamental changes in structures, processes and behaviours.' Transformation involves what is called 'second order' or 'gamma' change involving discontinuous shifts in strategy, structure, processes or culture. Transformation is required when:

- significant changes occur in the competitive, technological, social or legal environment;
- major changes take place to the product lifecycle requiring different product development and marketing strategies;
- major changes take place in top management;
- a financial crisis or large downturn occurs;
- an acquisition or merger takes place.

Transformation strategies

Transformation strategies are usually driven by senior management and line managers with the support of HR rather than OD specialists. The key roles of management as defined by Tushman *et al* (1988) are envisioning, energizing and enabling.

Organizational transformation strategic plans may involve radical changes to the structure, culture and processes of the organization – the way it looks at the world. They may involve planning and implementing significant and far-reaching developments in corporate structures and organization-wide processes. The change is neither incremental (bit by bit) nor transactional (concerned solely with systems and procedures). Transactional change, according to Pascale (1990), is merely concerned with the alteration of ways in which the organization does business and people interact with one another on a day-to-day basis, and 'is effective when what you want is more of what you've already got'. He advocates a 'discontinuous improvement in capability' and this he describes as transformation.

Strategies for transformational change, Beckard (1989)

- 1. A change in what drives the organization for example, a change from being production-driven to being market-driven would be transformational.
- 2. A fundamental change in the relationships between or among organizational parts – for example, decentralization.
- 3. A major change in the ways of doing work for example, the introduction of new technology such as computer-integrated manufacturing.
- 4. A basic, cultural change in norms, values or research systems for example, developing a customer-focused culture.

Transformation through leadership

Transformation programmes are led from the top within the organization. They do not rely on an external 'change agent' as did traditional OD interventions, although specialist external advice might be obtained on aspects of the transformation such as strategic planning, reorganization or developing new reward processes.

The prerequisite for a successful programme is the presence of a transformational leader who, as defined by Burns (1978), motivates others to strive for higher-order goals rather than merely short-term interest. Transformational leaders go beyond dealing with day-to-day management problems: they commit people to action and focus on the development of new levels of awareness of where the future lies, and commitment to achieving that future. Burns contrasts transformational leaders who operate by building up a network of interpersonal transactions in a stable situation and who enlist compliance rather than commitment through the reward system and the exercise of authority and power. Transactional leaders may be good at dealing with here-and-now problems but they will not provide the vision required to transform the future.

Managing the transition

Strategies need to be developed for managing the transition from where the organization is to where the organization wants to be. This is the critical part of a transformation programme. It is during the transition period of getting from here to there that change takes place. Transition management starts from a definition of the future state and a diagnosis of the present state. It is then necessary to define what has to be done to achieve the transformation. This means deciding on the new processes, systems, procedures, structures, products and markets to be developed. Having defined these, the work can be programmed and the resources required

(people, money, equipment and time) can be defined. The strategic plan for managing the transition should include provisions for involving people in the process and for communicating to them about what is happening, why it is happening and how it will affect them. Clearly the aim is to get as many people as possible committed to the change. The eight steps required to transform an organization have been summed up by Kotter (1995) as follows.

Steps to achieving organizational transformation, Kotter (1995)

- 1. Establish a sense of urgency examining market and competitive realities; identifying and discussing crises, potential crises, or major opportunities.
- 2. Form a powerful guiding coalition assembling a group with enough influence and power to lead change.
- 3. Create a vision creating a vision to help direct the change effort and developing strategies for achieving that vision.
- 4. Communicate the vision using every vehicle possible to communicate the new vision and strategies and teaching new behaviours by the example of the guiding coalition.
- 5. Empower others to act on the vision getting rid of obstacles to change; changing systems or structures that seriously undermine the vision and encouraging risk taking and non-traditional ideas, activities and actions.
- 6. Plan for and create short-term wins planning for visible performance improvement; creating those improvements and recognizing and reward-ing employees involved in the improvements.
- 7. Consolidate improvements and produce still more change using increased credibility to change systems, structures and policies that don't fit the vision; hiring, promoting and developing employees who can implement the vision and reinvigorating the process with new projects, themes and change agents.
- 8. Institutionalize new approaches articulating the connections between the new behaviours and corporate success and developing the means to ensure leadership development and succession.

Transformation capability

The development and implementation of transformation strategies require special capabilities. As Gratton (1999) points out: Transformation capability depends in part on the ability to create and embed processes which link business strategy to the behaviours and performance of individuals and teams. These clusters of processes link vertically (to create alignment with short-term business needs), horizontally (to create cohesion), and temporally (to transform to meet future business needs).

The role of HR in managing change

If HR is concerned – as it should be – in playing a major role in the achievement of continuous improvement in organizational capability and individual performance, and in the HR processes that support that improvement, then it will need to be involved in facilitating change. Ulrich (1997a) believes that one of the key roles of HR professionals is to act as change agents, delivering organizational transformation and culture change.

Strategic HRM is as much if not more about managing change during the process of implementation as it is about producing long-term plans; a point emphasized by Purcell (1999) who believes that: 'We should be much more sensitive to processes of organizational change and avoid being trapped in the logic of rational choice.' In 2001 Purcell suggested that change is especially important in HRM strategies 'since their concern is with the future, the unknown, thinking of and learning how to do things differently, undoing the ways things have been done in the past, and managing its implementation'. He believes that the focus of strategy is on implementation, where HR can play a major part.

The importance of the human resource element in achieving change has been emphasized by Johnson and Scholes (1997):

Organizations which successfully manage change are those which have integrated their human resource management policies with their strategies and the strategic change process... training, employee relations, compensation packages and so on are not merely operational issues for the personnel department; they are crucially concerned with the way in which employees relate to the nature and direction of the firm and as such they can both block strategic change and be significant facilitators of strategic change.

HR professionals as change agents

Caldwell (2001) categorizes HR change agents in four dimensions:

- 1. Transformational change a major change that has a dramatic effect on HR policy and practice across the whole organization.
- 2. Incremental change gradual adjustments of HR policy and practices that affect single activities or multiple functions.

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- 3. HR vision a set of values and beliefs that affirm the legitimacy of the HR function as strategic business partner.
- 4. HR expertise the knowledge and skills that define the unique contribution the HR professional can make to effective people management.

Across these dimensions, the change agent roles that Caldwell suggests can be carried out by HR professionals are those of change champions, change adapters, change consultants and change synergists.

The contribution of HR to change management

HR practitioners may be involved in initiating change but they can also act as a stabilizing force in situations where change would be damaging. Mohrman and Lawler (1998) believe that:

The human resources function can help the organization develop the capability to weather the changes that will continue to be part of the organizational landscape. It can help with the ongoing learning processes required to assess the impact of change and enable the organization to make corrections and enhancements to the changes. It can help the organization develop a new psychological contract and ways to give employees a stake in the changes that are occurring and in the performance of the organization.

Ulrich (1998) argues that HR professionals are 'not fully comfortable or compatible in the role of change agent', and that their task is therefore not to carry out change but to get change done. But HR practitioners are in a good position to understand possible points of resistance to change and they can help to facilitate the information flow and understanding that will help to overcome that resistance.

Gratton (2000) stresses the need for HR practitioners to: 'Understand the state of the company, the extent of the embedding of processes and structures throughout the organization, and the behaviour and attitudes of individual employees.' She believes that 'The challenge is to implement the ideas' and the solution is to 'build a guiding coalition by involving line managers', which means 'creating issue-based cross-functional action teams that will initially make recommendations and later move into action'. This approach 'builds the capacity to change'.

The contribution of HR to change management will often take the form of implementing the right tasks, structures, processes and systems to support change in line with the views of Beer *et al* (1990) as expressed earlier in this chapter. HR will also be continuously involved in developing processes for involving people in planning and managing change and communicating information on proposed changes – what they are, why they are taking place and how they will

affect employees. Change often requires adopting new behaviours and acquiring different skills, and HR can organize the learning and development programmes required to do this.

Change management – key learning points

Types of change

The main types are: strategic change, operational change and transformational change.

The change process

The change process starts with an awareness of the need for change. An analysis of this situation and the factors that have created it leads to a diagnosis of their distinctive characteristics and an indication of the direction in which action needs to be taken. Possible courses of action can then be identified and evaluated and a choice made of the preferred action.

Change models

The main change models are those produced by Lewin, Beckhard, Thurley, Bandura and Beer *et al*.

Reasons for resistance to change

The shock of the new, economic fears, inconvenience, uncertainty, symbolic fears, threat to interpersonal relationships, threat to status or skills and competence fears.

Overcoming resistance to change

- Analyse the potential impact of change by considering how it will affect people in their jobs.
- Identify the potentially hostile or negative reactions of people.

- Make ample provision for the discussion of reactions to proposals to ensure complete understanding of them.
- Get 'ownership' a feeling amongst people that the change is something that they are happy to live with because they have been involved in its planning and introduction.
- Prepare and implement a communication strategy to explain the proposed change.

Implementing change (Nadler and Tushman, 1980)

- Motivate.
- Manage the transition.
- Shape the political dynamics of change.
- Build in stability of structures and processes.

Strategies for organizational transformation (Kotter, 1995)

- Establish a sense of urgency.
- Form a powerful guiding coalition.
- Create a vision.
- Communicate.
- Empower others to act.

Change management – key learning points (continued)

- Plan for and create short-term wins.
- Consolidate improvements and producing still more change.
- Institutionalize new approaches.

The role of HR in managing change

HR specialists in their role of change agents will be continuously involved in developing

processes for involving people in planning and managing change and communicating information on proposed changes – what they are, why they are taking place and how they will affect employees. Change often requires adopting new behaviours and acquiring different skills, and HR can organize the learning and development programmes required to do this.

Questions

- 1. Describe one well-known model of change management. Give examples of how it might work in a change programme in your organization.
- 2. Alfred Sloan (1967) said that his experience as CEO of General Electric demonstrated that change is the only constant thing in organizations. Do you agree with that statement and if so, what are its implications?
- 3. Jack Welch, a much later CEO of General Electric, said, as reported by Krames (2004): 'How do you get people into the change process? Start with reality... when everyone gets the same facts, they'll generally come to the same conclusion.' Is this true and if so, what does it tell us about change management?
- 4. Michael Beer wrote the following in 2001: 'There are two schools of thought about how to manage organizational change. The dominant one today espouses a top-down, drive-for-results change strategy that employs interventions like restructuring, layoffs and reengineering. The second, much less frequently employed, espouses the development of organizational capabilities through a slower bottoms-up, unit-by-unit, high involvement approach to change. It rejects the results-driven approach as at best inadequate and at worst injurious to the development of organizational capabilities needed for sustained high performance.' Which of these two approaches do you prefer, or do you think they can both be used? If so, how?

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