Roadmap

Introduction to Organizational Change

- Organizational Change
  - Any substantive modification to some aspect of an organization—technology, structures, people, mission, and values.
- Change Process
  1. Recognize the need for change
  2. Un-freeze
  3. Change
  4. Re-freeze
Types of Change (cont’d)

• Source
  – Innovative change
    • Involves the development and implementation of new ideas and practices.
  – Imitative change
    • Involves the application of existing ideas, which may come from other units within the organization or from outside the organization

What Do You Think:
How Would You React to These Changes?

• How would you react to the news that GCU did not renew contracts for 17 professors, five of whom were tenured under the old system?
• What if one of the professors had been a favorite among students—how would you react?
• What if the decisions were made based on student evaluations? Do you think this would affect the quality of instruction in the classroom? In what way?
• How do you think professors would react to these changes in deciding where to spend their time?
Mainstream Four-Step Change Process

• Step 1: Recognize the need or opportunity for change
  – Focus: changes that maximize profits, efficiency, productivity and competitiveness.
  – Approach: identify change source
    • Internal—existing operations
    • External—loss of resources, consumer buying habits, and actions of competitors
  – Response: create sense of urgency

---

Figure 13.2: A Mainstream Approach to Managing the Four-step Change Process

---

Mainstream Four-Step Change Process (cont’d)

• Step 2: Unfreeze—Prepare for Change
  – Focus: prepare members for change.
  – Top-down approach:
    • Ensure members understand the need for change
    • Reduce resistance to change
    • Create openness and willingness to change
  – Response: get “buy-in”/create dissonance
    • Push tactics—“burning platform”
    • Pull tactics—inspirational, opportunity appeal
What Do You Think: How Does Change Make You Feel?

• Consider a change you have experienced (work, school, or in your family).
  – Did it feel like a puzzle?
  – How did it make you feel when you first heard about it and then later as you began adjusting to the change?
  – Were you angry or enthused, frustrated or encouraged, numb or invigorated, sad or happy?
  – What can you do as a manager to minimize the negative emotions associated with change and promote positive emotions?
  – What would make you feel better or worse?

Why Resistance to Change Occurs

• People believe that change will:
  – Negatively affect the psychological contract.
  – Alter relationships between the member's personal identity, job, and the organization's identity.
  – Create uncertainty and ambiguity that upsets the status quo.

Mainstream Four-Step Change Process (cont'd)

• Step 3: Change
  – Focus: putting change ideas into practice.
  – Approach:
    • Building support
    • Overcoming resistance
    • Ensure that innovations are implemented.
  – Goal: ensure that organizational members are committed to the change.
Figure 13.3: How Managers Can Increase Members’ Commitment to Change

Mainstream Four-Step Change Process (cont’d)

- Step 3: Change (cont’d)
  - Factors influencing member commitment to change:
    - Member confidence in the competence of their manager who is promoting the change.
    - Member confidence in their own ability to put the change into practice.
    - Members’ attitude toward the change.

Mainstream Four-Step Change Process (cont’d)

- Step 3: Change (cont’d)
  - Members are more committed to change when their managers:
    - Have the skill-set required to manage a change.
    - Model the desired behavior, and not fall back into the previous status quo.
    - Have integrity and are consistent in their actions.
    - Have good planning skills, and do not create crises by reactionary behavior.
Mainstream Four-Step Change Process (cont’d)

• Step 3: Change (cont’d)
  – Members have more confidence in their ability to change when their managers:
    • Have good communication skills and provide information about the new work environment.
    • Provide training to enhance skills and behaviors needed for change.
    • Plan for early successes or small wins.
    • Provide the appropriate resources and time for members to adapt to their new responsibilities.

Mainstream Four-Step Change Process (cont’d)

• Step 3: Change (cont’d)
  – Managers can convince members of the benefits of change by:
    • Persuading them through emotional appeals that impact the heart.
    • Providing extrinsic incentives such as bonuses, pay raises, or potential promotions.
    • Selecting or promoting members with dispositions or personalities facilitate coping with change and having a positive attitude toward change.

Mainstream Four-Step Change Process (cont’d)

• Step 4: Refreeze (cont’d)
  – Refreezing stage
    • Managers make adjustments to the design of the organization (structure) and human resource management systems.
    • Managers reinforce structural and system changes so that the new ways of doing things are repeated and rewarded.
Multistream Four-step Change Process

• Multistream Process
  – Step 1: Sensitization to change.
  – Step 2: Dignification when others are invited to help with change.
  – Step 3: Participation that involves other aspects of the organization.
  – Step 4: Experimentation with implementing changes and celebrating successful changes.

Figure 13.4: A Multistream Approach to Managing the Four-step Change Process

Multistream Four-step Change Process (cont’d)

• Step 1: Be sensitive to need for change
  – Focus: jointly diagnose need for change
  – Approach: improve stakeholders’ well-being
    • Improve work environment
    • Foster social justice for marginalized people
    • Respect for natural environment
  – Open Book Management
    • Managers work to educate members to sensitize them to the broader issues of concern for the company and its stakeholders.
Multistream Four-step Change Process (cont’d)

• Step 2: Unfreeze
  – Focus: to establish a shared vision and sense of ownership.
  – Approach: disarm resistance by approaching others with dignity and consideration.

• Step 3: Change
  – Focus: to implement participative change.
  – Approach: support change agents and idea champions.

Multistream Four-step Change Process (cont’d)

• Step 3: Change (cont’d)
  – Members’ confidence in managers.
    • Is based on trust and mutual participation.
    – Members’ confidence in their own ability
      • Is advanced by informal and peer learning.
      • Is increased by the involvement of other stakeholders in the learning process.
  – Members’ attitudes towards change
    • Become more positive through communication of the benefits of change (spreading revitalization).

Figure 13.5: How Managers Can Increase Members’ Commitment to Change

- Members’ Confidence in Managers
  - Managers should:
    - foster opportunities for informal and peer learning.
    - encourage communication above the norms and闪烁s of the change.

- Members’ Attitudes towards Change
  - Managers should:
    - create a positive environment for the change.
    - ensure that the change is communicated effectively.

- Members’ Confidence in Their Ability
  - Members should:
    - feel confident and capable in their ability to adapt to change.
    - recognize their own potential for growth and development.

Copyright © Cengage Learning. All rights reserved.
Multistream Four-step Change Process (cont’d)

• Step 4: Refreezing (Slushing)
  – Focus: experimentation and ongoing change with the expectation that effects may not be uniform.
  – Approach: using a bottom-up process to create, monitor, and adjust flexible structures in support of continuous change.

What Do You Think:
Should You Use Kotter or Beer, or Both?

• Do you think that one approach is uniformly better than the other?
• As an employee, which would you prefer and why?
• Can the approaches be integrated together, perhaps in a sequence starting with one approach and moving to another?