THE MANAGEMENT OF CHANGE IN A CHANGING ENVIRONMENT – TO CHANGE OR NOT TO CHANGE?

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Abstract

Any organisation operating in today's uncertain economic climate needs to know how to manage change in order to survive. For businesses to withstand today's competitive environment, organisations must frequently examine its processes and performance strategies to better understand what changes need to be made. The pace of change has considerably increased. Change nowadays is a reality for businesses and organisations, those which resist change, risk losing their competitive edge. Change is one of the most significant aspects that affect organisations. The ability therefore to manage change effectively has become vital. It is crucial that organisations understand the implications that change may have on the employees' culture, history, goals, aims, objectives and so on? Change is essential for business survival and growth. In today's complex and competitive global business environment, organisations must adjust to changing environmental conditions by constantly introducing changes in order to remain competitive and profitable. Change is important because managers and organisations that do not bring about timely change in appropriate ways are unlikely to survive. Managers and organisations are faced with highly dynamic and complex operating environments. Any organisation that ignores change does so at its own risk.

Keywords: Change, Organisational Change, Resistance to Change, Communication, Participation, Implementation

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1 Introduction

The pace of change in the life of human beings has increased beyond expectation. This has been fuelled by scientific and technological developments that are altering the way we perceive the world on an almost daily basis. In other words, change is not always a personal choice, rather an inevitable fact of life, and we need to constantly adapt to keep pace with it. As a result, change needs to occur in any organization to stay a viable entity. In today's complex and competitive global business environment, organisations must adapt to changing environmental conditions by continually introducing changes in order to remain competitive and profitable.

Organisational design has become one of management's top priorities due to increased global competitive pressure and because of the increased use of advanced information technology (IT). More importantly, managers nowadays are exploring new and improved ways of motivating employees and coordinating work activities to improve the value that their organisations can create. Consequently, a wide range of theories have been debated over the last couple of years on how to manage change and organise work. In spite of this, there have not been any lasting answers on how best to manage change. Could it be that there can never be a universal theory of organisational change, because change entails a movement to some future state that comprises a context and time that remains undetermined?

Change is a necessary way of life and we see change all around us. Change is concerned with making things different.

2 Defining change

Change, according to the Oxford dictionary means just what the Merriam Webster dictionary defines change as: to make different in some particular way; to make radically different; to give a different position, course, or direction; to with another; to make a shift from one to another.

A more specific definition provided by Baker (2007: 2) suggests that "change is continuous" and that it is brought about through a transformation process. It may be made actively in a planned way, or it may seem to occur naturally, with an individual or an organisation adapting or evolving. In any event change is not, in itself, inherently good or bad. Baker (2007: 16) goes on to mention that "some argue that overseeing successful change within an organisation is about good leadership rather than effective management and that it is therefore not a process but an approach", yet Singh (2009: 4) argues that change is one of the most critical aspects of effective management. Baker (2007: 16) suggests however, that even in the smallest organisations, changes are likely to be fundamentally interlinked and even interwoven.

Change according to Harigopal (2006: 27) change also means "dissatisfaction with the old and belief in the new". Burke (2002: 1) states that significant change means to turn the organisation in another direction, to fundamentally modify the way 'we do things', to overhaul the structure and to provide organisational members with a whole new vision for the future.

From the above definitions it is clear that change represents a movement from the present state of an organisation to a desired future state.

3 Organisational change and change management

"To improve is to change; to be perfect is to change often" (Winston Churchill 1874-1965).

This opening statement suggests that change may be considered a sign of improvement and progress. At its simplest organisational change can be defined as new ways of organising and working (Dawson, 2003: 11).

The business dictionary defines organisational change as: "a company or organisation going through transformation, restructuring or reorganising." According to Mills, Dye and Mills (2009: 4) organisational change can be defined as an alteration of the core aspects (i.e. structure, technology, culture, personnel and leadership) of an organisations operation. Daft (1998: 291) defines organisational change as "the adoption of a new idea or a behaviour by an organisation". Daft's definition is echoed by Venkatachalam and Sellappan (2011: 131) who maintain that change is best seen as the adoption of a new idea or behaviour by all organisations. It is a way of altering an existing organisation to increase organisational effectiveness for achieving its objective. Successful organisational change must continually focus on making organisations responsive to major developments like changing customer preferences and technological innovations.

We live in a world that is constantly changing. In fact, the ability to engage in meaningful change is critical to an organisations competitive success. To be able to manage change effectively, organisations need to go through a process of identifying possible faults looking at alternatives to the current situation, weighing up the pros and cons of these alternatives, reaching decisions on the future state of the organisation and implementing the necessary changes (Paton and McCalman, 2008: 16). Ventris (2004: 2) defines change management as inspirational leadership, detailed planning and rigorous comprehensive implementation.

There are many definitions of change management; perhaps the best definition comes from Fincham and Rhodes (2006: 525) who maintain that "change management is the leadership and direction of the process of organisational transformation especially with regard to human aspects and overcoming resistance to change", while Baker (2007: 16) suggest that "managing change is a task that can either be embraced proactively or reactively". Change management is not about simply following steps because no two changes are exactly alike. The right approach will be specific to the situation. The one-size-fits–all approach is simply not sufficient. Haitt and Creasey (2003: 10) develop this point by observing that it is important to manage people in a changing environment so that business changes are successful and the desired business results are realised. Overall change management is about helping people to get through change.

4 What drives organisational change?

Understanding what drives change is critical because the drivers establish the overall context within which organisational change occurs. They create the motivation for change and form the purpose for both those leading the change and those who are targets of the change (Anderson and Ackerman-Anderson, 2010: 31). The drivers of change clarify what drives the need for change.

It is important to note that we live in an increasingly turbulent world, where environments have become much more competitive; expectations, attitudes and moralities have been transformed. Thus, increased competitiveness is one of the major drivers of change. Universities for example can be viewed as an institution that is constantly undergoing change to attract candidates to apply for their courses, but students also see themselves as 'paying customers' and demand more from those who are providing the educational experience. In this respect universities will re-engineer the strategic planning process, focus on quality management, financial accounting and technology.

To survive and ultimately prosper an organisation must monitor its internal and external environments. The external drivers refer to those forces that that are outside the organisation and mainly consist of four categories: economic, political, technological and social-cultural. The internal drivers by contrast refer to those forces within an organisation and may include the changing work climate, declining effectiveness of employees, changes in leadership, strained finances, inadequate finances and changing employee expectations (Proehi, 2001: 123).

5 Resistance to change

Resistance to change has been extensively researched in the organisational sciences ever since Coch and French (1948) first addressed the issue in their seminal article, "Overcoming resistance to change." Coch and French (1948) attributed resistance to both individual and contextual factors. During the 1990's researchers began to challenge traditional views of resistance and began to explore a wider range of responses to change. Until the 1990's resistance was almost universally accepted. It was treated as an inevitable human characteristic that led to low organisational performance and needed to be overcome by managers, primarily through the application of punishment and rewards (Dent and Goldberg, 1999). More recently researchers have questioned these assumptions. They propose that reactions to change are multidimensional and complex (Merron, 1993).

"We may like change and regard it as an essential feature of living: it does not mean that we always welcome it" Fransella (1975: 135). Hughes (2006: 118) cites Stickland (1998: 37) who describes resistance as "an on-going problem for change managers" who believes that the problem of resistance lies at the heart of most change problems. "As well as potential resistance to change by employees, it is worthwhile acknowledging that organisations may face resistance to change from other groups such as suppliers, distributors, stakeholders and consumers" (Paton and McCalman, (2000: 47).

According to Baker (2007: 78) key reasons why change is resisted in organisations include: "lack of awareness of the need for change; fear and redundancy; uncertainty of the future need for present skills or their ability to gain required new ones; feelings of comfort with the 'way things are'; feeling of having to do more with the same resources or for the same pay; lack of understanding or knowledge and fear of being downgraded".

Sengupta, Bhattacharya and Sengupta (2006: 3) have suggested that resistance to change may be of two parts – individual change and organisational change. Individuals resist change due to fear of losing their jobs, uncertainty, more work, concerns about competence, they do not like the impact change will have on them, not being consulted, connected to the "old way" of doing things, changes to routine, and they may not like the change itself. Organisations resist change due to fear of the unknown, the new way may not meet their mission and value system, change will make things worse and organisations like what is familiar.

6 Individual resistance to change

Forasmuch as employees are the ones who get the job done, and they the ones who possess the knowledge, skills, tools and experiences, it is clear that organizational changes cannot be achieved without employee support and involvement. Employee acceptance and commitment are the key factors for successful change.

Burke (2002: 82) has contributed to the debate on individual resistance to change by pointing out that "some organisational members fight change, constantly denying that the change is necessary". Burke goes on to say that. Interestingly Woodward et al (2004: 162) undertook empirical work which involved surveying individuals experiencing organisational change in the City of London's financial services sector and recorded the problems individuals encountered in a changing environment. These included:
- Increased accountability but reduced resources
- A focus on tasks with a corresponding neglect of employees
- Feelings of insecurity and uncertainty in roles and direction

In support of the above, Sengupta, Bhattacharya and Sengupta (2006: 3) state that change leads to insecurity among employees because of its unknown consequences. Employees do not know for certain whether change will bring better prospects. For example because of technological change people may feel threatened due to the fear of obsolescence of skills, less wages and losing the job. Baker (2007: 78) confirms that any change may bring about difficulties for people, however enthusiastic they may be, and a period of organisational instability can be unsettling and worrying for individuals and groups. Baker mentions that people are not – in general – deliberately awkward, and resistance does not in itself make them bad employees. They want to know that change really is going to be better for them and the organisation.

"The ways in which resistance is handled will vary depending on whether it is only a few people who are 'against' the changes, or if it is in fact a majority of those who need to be convinced, and why people are resisting what is proposed'. Whether the numbers involved are few or many, it is important to listen to criticisms and not belittle resistance; those who oppose the changes may have good points to make, if allowed to make them" (Baker, (2007: 78).

Hughes (2006: 108) suggests that "organisational change present opportunities for learning". This is echoed by Carnall (2003: 225) who warns that "achieving change is one thing – learning from the process of change is an entirely different thing". Learning appears to be a prerequisite of change, and change, a prerequisite of learning, as suggested by Hughes (2006: 194), who goes on the say that "the ability to learn may move individuals away from the anxiety of change". When change is not successful it is described as failure. However there is potential in learning from change management failure, yet talking and writing about failure is engaging with an organisational taboo.

7 Organisational resistance to change

Resistance to change is an important, but under examined characteristic that affects both employer and employee. Here we follow Sengupta, Bhattacharya and Sengupta (2006: 3) who observe that organisational change may bring some potential threat to the organisational power of some people. An organisational change, like a move to a more luxurious office, can be warmly accepted simply because the change is seen to have obvious advantages. However, not all changes fit into this category. When changes create uncertainty and ambiguity, resistance to change is likely to emerge. In essence, the resistance is not towards the change in itself, but towards the personal loss, or the possibility to it, that people believe will accompany the change (McKenna, 2000).

Resistance to change can then be described as the behaviours acted out by change recipients in order to slow down or terminate an intended organisational change (Greenberg and Baron, 2002) or as the tendency for organisational employees to be unwilling to go along with changes (Lines. 2004: 193-215).

8 Managing change successfully

Successful change management can be both intense and challenging. When change is well-planned, the process should be exciting, rewarding and ultimately successful (Ventris 2004: 5). Graetz, Rimmer, Smith and Lawrence (2011: 4) stipulate that managers of change need to find ways of getting their employees on board and moving towards to same goal. Failure to do so makes implementation efforts difficult. It is possible to make an organisation worse than it was before the attempted change. Change can also fail due to organisational members' resistance or lack of motivation towards the challenges of change. No matter how cleverly crafted the plan or how carefully prepared the strategy, organisational change is only successful as far as its implementation. This implies that change managers are pivotal to the success of organisational change because they not only devise the content of change, but also formulate and adjust the method of its introduction.

Pettigrew et al (1993: 6) maintain that "there are no leading rules with regard to managing change; rather it involves linking action by people at all levels of the business". Below are some points that Pettigrew et al propose for successfully managing strategic and operational change.

- Environmental assessment - Organisations, at all levels, need to develop the ability to collect and utilise information about their internal and external environments;
- Leading change - This requires the creation of a positive climate for change, the identification of future directions and the linking together of action by people at all levels in the organisation;

- Linking strategic and operational change - This is a two-way process of ensuring that strategic decisions lead to operational changes and that operational changes influence strategic decisions;
- Human resource as assets and liabilities - Just as the pool of knowledge, skills, and attitudes possessed by an organisation is crucial to its success, it can also be a threat to the organisation's success if the combination is inappropriate or managed poorly; and
- Coherence of purpose - This concerns the need to ensure that the decisions and actions that flow from the above four factors complement and reinforce each other.

Sometimes change tends to be so rapid that there is no time to adjust before more change takes place. Yet, it is the ability to plan for, implement and manage change that seems to be the core factor that separates successful organisations from unsuccessful ones. Successful organisations do not believe in change per se but in proactive change, reinventing themselves as and when necessary (Harigopal, 2006: 28).

Kotter (1996: 33-145) considered the guru of organisational change management identifies eight steps for successful change management:

1) Establish a sense of urgency - inspire people to move, make objectives real and relevant;
2) Create a guiding team - get the right people in place with the right emotional commitment, and the right mix of skills and levels;
3) Develop a vision and strategy - get the team to establish a simple vision and strategy, focus on emotional and creative aspects necessary to drive service and efficiency;
4) Communicate the change vision/buy-in - Involve as many people as possible, communicate the essentials, simply, and to appeal and respond to people's needs. De-clutter communications - make technology work for you rather than against;
5) Empower employees for action - Remove obstacles, enable constructive feedback and lots of support from leaders - reward and recognise progress and achievements;
6) Create short-term wins - Set aims that are easy to achieve - in bite-size chunks. Manageable numbers of initiatives. Finish current stages before starting new ones;
7) Consolidating gains and producing more change - Foster and encourage determination and persistence - on-going change - encourage on-going progress reporting - highlight achieved and future milestones; and
8) Anchoring new approaches - Reinforce the value of successful change via recruitment, promotion and new change leaders. Weave change into culture.

9 Conclusion

We live in a world where 'business as usual' means change. Organisations nowadays need to change the way they do business in order to survive in an increasingly dynamic environment. Whether the organisation is going through a major or minor change it is common that individuals feel intimidated and nervous. Change will only be successful when individuals embrace change and are willing to change along with the objectives of the organisation. Handled correctly, using known and tested change management techniques, change can be brought about successfully; achieving set goals and objectives. Resistance to change is the most cited implementation problem. Since a person's actions and intentions are bound up with the emotions he or she has, the negative emotions experienced by employees in response to change are of influence on their actions and intentions. This is why resistance to change occurs. In order for change to be successful, organisations have plan carefully and build the proper foundations, then implementing change can be much easier. To sum up Charles Darwin (1809-1882) states "it's not the strongest species that survive, nor the most intelligent but the ones most responsive to change".

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