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ORGANISATION CHANGE

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HRM



ORGANISATIONAL CHANGE

- **Change management is a systematic approach to dealing with change, both from the perspective of an organisation and on the individual level.**
- **Change should rarely be forced on people, it must be well planned, realistic, achievable, and measurable.** Identify what is expected to be achieved, who will be affected, and how much is to be changed and when.

ORGANISATIONAL CHANGE

'Organisational Change' is the modification in any or all the internal environment of the organization like organisation's structure, technology, physical settings, and human resources.

- **Changing the Organisational structure involves making modifications in human relations, co-ordination mechanisms, job-design and other similar structural aspects like job specification, span of control, organizational designs, etc.**
- **The organization redesign includes modification in various tiers of structure hierarchy, Division of tasks, Decentralization of authority and Modification of workflow etc.**
- **Organisational change management** has become important in communications about business, organisations, leadership, and management.
- Different people often have **very different and strong opinions** about how change should be conducted and arguments as to how to implement whether at one go or in phases and various modalities.
- To initiate organisational change and begin guiding successful change efforts, the change agent should have at least a broad **understanding of the context of the change effort.**

Individual Factors responsible for Resistance to Change

- I. Problem of Adjustment
- II. Economic Reasons
- III. Obsolescence of Skills
- IV. Emotional Factors
 - Fear of Unknown
 - Ego Defensiveness
 - Group Norms
 - Social Displacement

Organizational Factors responsible for Resistance to Change

- Threat to Power and Influence
- Organization Structure
- Resource Constraints
- Sunk Costs

Strategies for Managing Resistance to Change

Education & Communication: One of the best ways to overcome resistance to change is to educate people about the change effort beforehand.

Define and Communicate Reasons for Change: overcome resistance to change is defining the why, what, and how behind the change and communicating this to employees.

Participation & Involvement: When employees are involved in the change effort, they are more likely to buy into change rather than resist it. This approach is likely to lower resistance more so than merely hoping people will acquiesce to change.

Facilitation & Support: Managers can head-off potential resistance by being supportive of employees during difficult times. Managerial support helps employees deal with fear and anxiety during a transition period. This approach is concerned with provision of special training, counselling, time off work.

Negotiation and Agreement: Managers can combat resistance by offering incentives to employees not to resist change. This can be done by allowing change resisters to veto elements of change that are threatening, or change resisters can be offered incentives to go elsewhere in the company in order to avoid having to experience the change effort. This approach will be appropriate where those resisting change are in a position of power.

Manipulation and Cooptation: involves the patronizing gesture of bringing a person into a change management planning group for the sake of appearances rather than their substantive contribution. This often involves selecting leaders of the resisters to participate in the change effort. These leaders can be given a symbolic role in decision making without threatening the change effort.

Explicit and Implicit Coercion: Managers can explicitly or implicitly force employees into accepting change by making clear that resisting change can lead to losing jobs, firing, or not promoting employees.

CHANGE AGENT

A Change Agent is an individual who promotes and supports a new way of doing something within the company, whether it's the use of transformation of an old business model to a new one

Successful change agents had the ability to:

Diagnose problems - Understanding both the business drivers and the organisation well enough to identify performance issues and analyze their impact on short- and long-term business results.

Build relationships with clients - Forming partnerships with mutual responsibility for the outcomes of the change effort. Because the risk is higher than with most other HR roles the level of trust required is much higher.

Ensure that the Vision is Articulated - Interpreting the hopes and motivations of the workforce through the Vision statement.

Set a Leadership Agenda - This requires the HR executive (if the change agent) to understand intimately the dynamics, history, and competencies of the leadership team and to have the tenacity to insist on the agenda's accomplishment.

Solve Problems - When dealing with change, the problems encountered are often loaded with emotional and political dynamics. The change agent must possess the insight to recognize the problem, the sensitivity to see its importance to those involved, the courage to take honest and often difficult measures to resolve it and the credibility to be heard.

Implement Plans to Achieve Change Goals - Successful organisational change on any significant scale can be attributed to the right strategy and appropriate change in organisation culture. Culture change, in turn, relies heavily on aligned and supportive people policies, systems and

processes. In short, the implementation plan is an HR plan for both the HR function and for management.

The four key Factors for success when implementing Change within an Organisation are:

- **Pressure for change**
- **A clear shared vision** - you must take everyone with you. This is a shared agenda that benefits the whole organisation.
- **Capacity for change** - you need to provide the resources: time and finance.
- **Action - and performance** - "plan, do, check, act" - and keep communication channels open.

The most **important contributions to be made through the change agent role are** those that **sustain the organisation's current performance and assure its future performance** by:

- Enabling people to work effectively as they plan, implement and experience change.
- Increasing people's ability to manage future change.

MANAGING CHANGE

Responsibility for Managing Change

- The employee does not have a responsibility to manage change - the employee's responsibility is no other than to do their best, which is **different for every person and depends on a wide variety of factors (Health, maturity, stability, experience, personality, motivation, etc.)**

- Responsibility for managing change is **with management and executives of the organisation - they must manage the change in a way that employees can cope with it.**
- The manager has a responsibility **to facilitate and enable change, understand the situation from an objective standpoint, and then help people understand reasons, aims, and ways of responding positively.**

Various Phases in Implementing Planned Change

- A 'Planned Change' is one, which is affected in a planned manner after assessing the need for change.
- **The first phase** is the preparatory stage in which the management has to create a felt need for change among the workforces. This is a stage in which the system shall be suitably prepared to start the change.
- This can be done **by establishing good relationship** with the employees and helping them to realize that present **behaviours, attitudes and efforts** are not effective and sufficient to survive and sustain in the future
- **The second phase** is the stage in which the actual change is initiated and carried out by the management by seeking and enlisting cooperation and support from all those who matter in the change process.
- This can be done by: **(a) identifying new and more effective ways of doing things, (b) choosing appropriate changes in tasks, people, culture, technology, and structure, and (c) taking appropriate and suitable steps to put these changes into action.**
- **The third and the last phase** of the change process is the stage in which the management should ensure that the planned change so

introduced in the organization conforms to the objectives of the change process and it stabilizes as fast as possible.

- This can be done by: **(a) creating acceptance and continuity for the new behaviours, attitudes and/or work processes, etc., (b) providing necessary resource support – human and finance, and (c) providing necessary motivation through performance-linked rewards and positive reinforcement for carrying out the changes so introduced.**

'RESPONSIBILITY CHARTING'

Responsibility Charting enables managers from the same or different organizational levels or programs to actively participate in a focused and systematic discussion about process related descriptions of the actions that must be accomplished in order to deliver a successful end product or service

Responsibility Charting is a technique for identifying functional areas where there are process ambiguities, bringing the differences out in the open and resolving them through a cross-functional collaborative effort. It is:

- A method of assigning role and defining the interrelationship of roles for specific decisions and tasks.
- A foundation for sound delegation.
- A basis for holding people accountable for their roles in specific decisions and tasks.
- A short-hand language for communication about roles and responsibilities.

- A decision matrix or grid with actual and potential stakeholders (those involved in or affected by a decision or task) listed horizontally and decisions or tasks listed vertically.

Use of Responsibility Charting

- Identify individual and team roles and inter-relationships
- Clearly state procedural specification of individual and team and set time frames.
- Understand and clarify roles and expectations.
- Improve accountability, delegation, communication and teamwork.

Responsibility Chart Design

- Responsibility Charting is a good example of a **project management tool**.
- This tool can be used in a very interactive and participatory way to engage a group of stakeholders who all have some connection to a common set of tasks or decisions that must be made in carrying out a project.
- It can be quite a good design activity, and in the end produces a clear picture of the interrelated roles and relationships that must be managed to accomplish the project within a given time frame. It usually produces a lot of learning for the participants as well

ONE LINERS

- **Being a manager, with no environmental uncertainty or threats of competitors, new products would be relatively simple without _____.**

Ans: Organisation Change

- **In organizations, people who act as medium and assume the responsibility for managing the change process are called _____.**

Ans: Change Agent

- **Economic Reasons who is responsible for Resistance to Change comes under which factor?**

Ans: Individual Factor

- **_____ is a technique for identifying functional areas where there are process ambiguities, bringing the differences out in the open and resolving them through a cross-functional collaborative effort.**

Ans: Responsibility Chart

- **Explicit and Implicit Coercion is one of the types for Strategies for Managing_____.**

Ans: Resistance to Change

- **Managers' options for change essentially fall into what three categories?**

Ans: Technology, Structure People

- **“Resources Constraints” comes in which kind of factors of resistance to change by employees in organisation?**

Ans: Organisation Factor

