

Course : Discipline 1- Commerce/ BMS
Subject: Organizational Behaviour
Lesson : Organizational Change
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Lesson: Organizational Change

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1. Learning Outcomes:

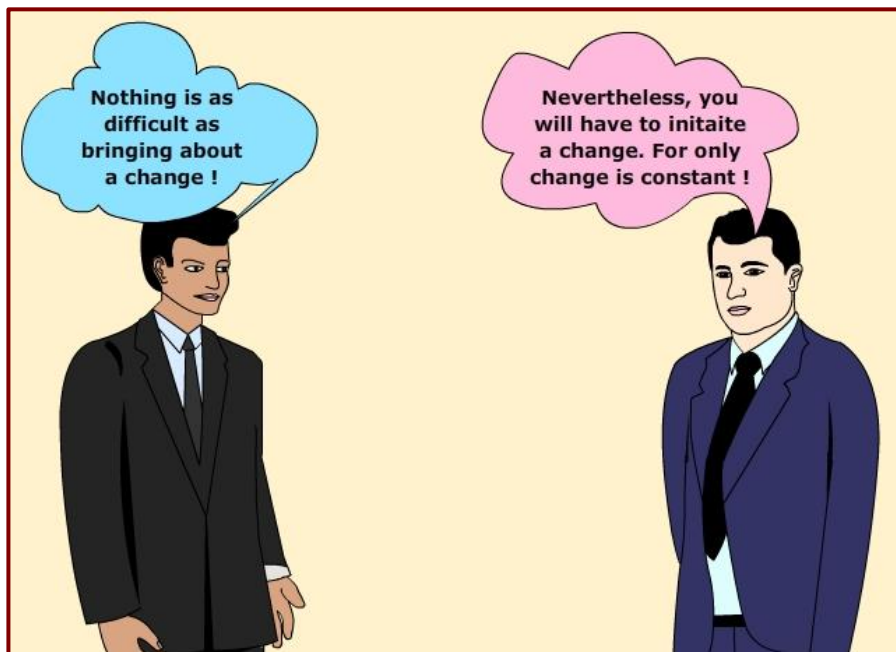
After you have read this lesson, you should be able to:

- explain the term organisational change,
- appreciate the need and importance of change,
- describe the factors affecting organisational change,
- differentiate between reactive and planned change,
- explain the process of managing change,
- understand why the individuals and organisations resist change,
- understand the techniques of overcoming resistance to change.

2. Introduction:

Change is the essence of life. Nothing is permanent in this world except change. Individuals change as well as organisations change. As you go through the lesson, you will realize that change is inevitable. It is required not only for the growth of an individual or an organisation, but is necessary for its very survival. What is more relevant for a manager to realize is that although change is desired and becomes necessary to survive and grow, it is not easy. It is ought to be resisted by the people involved or those who are directly affected by it. Such resistance is quite normal, as every change involves leaving one's comfort zone, a zone of familiarity, a state that one was well adjusted to and had adapted oneself to the prevailing circumstances, methods or processes. A change does involve a fair degree of uncertainty and risk. While change is the way of life, change in organizations is far more important. It has to be planned and brought about in a highly conducive manner. Organizations need to keep themselves attuned with the changing business environment and juggle with the constantly changing demands of the people it interact with. They have to keep their eyes open to the factors that warrant change, so that it may be initiated and brought forth timely. The managers have to identify reasons that cause resistance to change and then must use various strategies and tactics to overcome such resistance. This lesson acquaints you with the meaning of 'change' in organizations, factors and types of change, Kurt Lewin's model of change, resistance to change and how such resistance is overcome. The figure below shows how important change is to any organisation.

Figure 1: Change



3. Concept of Change

Business organisations interact with the environment. They adapt to the changes in the environment for their survival and growth. They also anticipate such environmental changes and incorporate them in their plans. Strategic change refers to collecting information and learning from it, analyzing it and developing a strategy based on it, and thereafter implementing the new strategy and constantly monitoring its adherence. The following figure depicts the nature of change, which is described in subsequent text.

Organisational Change
Figure 2: Nature of Organizational Change



Change is a pervasive activity—Change takes place everywhere although its nature and magnitude varies. It takes place within all organisations and its members.

Change involves moving from the existing to the new level of equilibrium –The basic tendency of people is to stick to their current state of circumstances with which they feel quite comfortable. Change involves a discomfort of moving from the comfortable state of equilibrium, and committing to a new state and creating a state of equilibrium there.

Adoption of Change - The adoption of new ideas and techniques does not occur naturally but results from hard work, trial and error. A broad spectrum of skills is needed to lead to effective management of innovation and change. There is no magic formula for success.

Resistance to Change -The adoption of innovations involves altering human behaviour, and the acceptance of change. There is a natural resistance to change for several reasons.

Change is affected by factors internal and external to the organisation – There are a number of factors that demand a change. Sometimes these originate from within the organisation while at other times changes outside the organisation necessitate them.

Change may be responsive to environmental factors –If a change is brought about in consequence of a change in the environment, it is a responsive change.

Change may be consciously planned –If a change is consciously planned in anticipation of environmental opportunities or threats, then it is a planned change.

Change is a continuous process- Change is not a onetime process. In order to survive and grow, organisations need to change continuously adapting to constantly changing environment.

Change is brought by change agents –Change is brought about by initiators who may be internal or external to the organisation. Internal change agents include top managers, whereas external change agents refer to outside experts or advisors appointed by executives to initiate the change process.

Value Addition 1: Surf and Learn

Organisational Change

Vectors of Organizational Change

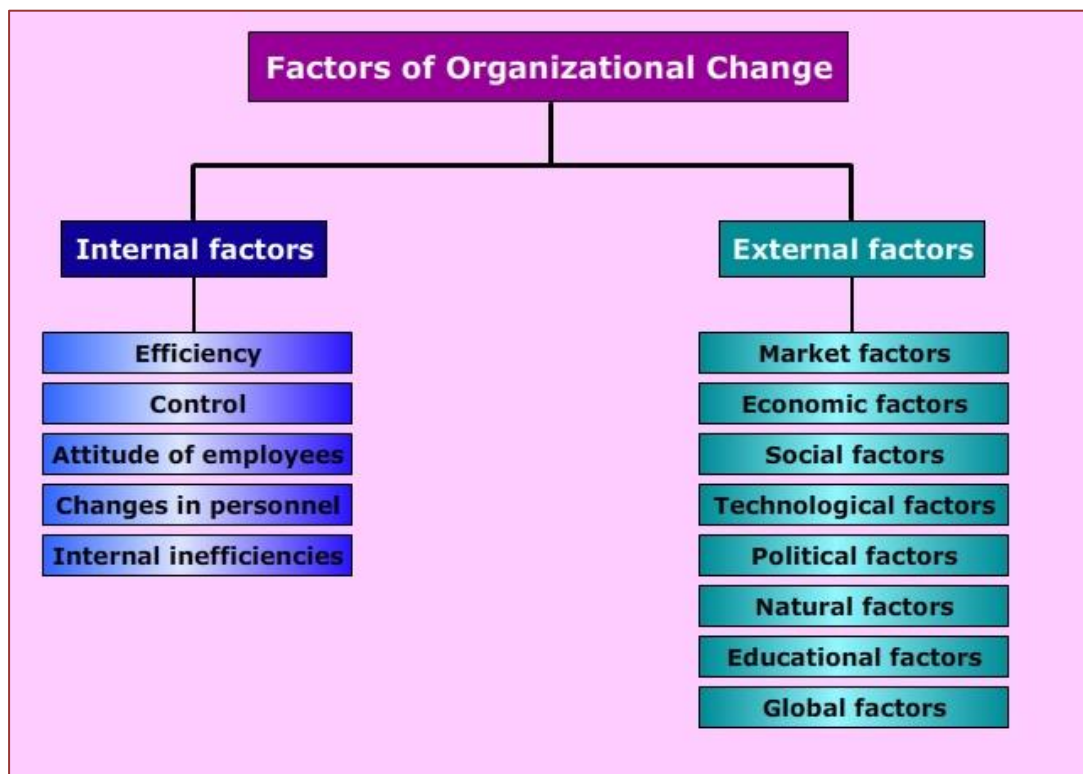
Click on the link below to view eight vectors of organizational change that facilitate organizations bring about change faster and consistently.

Source: <http://4thgearconsulting.com/organizational-change/>

3.1 Factors of Change

Change does not come on its own. It has to be brought about after being aware of its need. There are various factors that make it necessary to bring forth a change. These factors are sometimes internal to an organisation and at other times external to the organisation. This section makes you aware of different types of internal and external factors that force a firm to change. These are also depicted in the figure below.

Figure 3: Factors of Organizational Change



Internal factors calling for a change includes the following:

- **Efficiency:** Organisations desire to perform better than their competitors. This desire makes it necessary for them to review their existing policies and based on them reorganize their present set up.
- **Control:** In order to have a better control system in the organisation managers at high levels constantly attempt to introduce new control systems. This leads to a change in the entire organisational design.
- **Attitude of employees:** A number of times internal pressures such as workers' dissatisfaction with the working conditions, pay structures and interpersonal relations, pressurize the managers to change their policies and strategies.
- **Changes in managerial or operational personnel:** Changes in the workforce at different levels lead to different types of changes in the organisation. While a change in the managerial personnel may have the effect of changing the overall values and philosophies of managing, the change in the operational level may require a change in the style of motivation and leadership.
- **Internal inefficiencies:** The imbalances may appear within the organisations with respect to span of management, centralization or decentralization, line and staff relationships etc. To correct such imbalances changes are required to be made in the organisation structure and relationships.

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External factors calling for a change includes the following factors:

- **Market factors:** These include changes in the demand and supply of the product, changes in customer tastes and preferences and changes in competitors' policies.
- **Economic factors:** These include changes in economic conditions, exchange rates, interest rates, fiscal and monetary policies and rate of inflation.
- **Social factors:** These include changes in working conditions, workers' safety norms, pollution norms and mobility of workers from one place to another.
- **Technological factors:** These include changes in technology, information systems and decision support system.
- **Political factors:** These include changes in the government policies related to taxation and corporate governance, new laws and court decisions.
- **Natural factors:** these include natural calamities like floods, earthquakes, landslides and tsunamis.
- **Educational factors:** These include changes in educational status of employees, shareholders, customers, suppliers and trade unions.
- **Global factors:** Organisations may feel the need to change in order to compete with multinational corporations.

Value Addition 2: Did You Know?

Determinants of Strategic Change

There are basically three dimensions of this kind of change-what is to be changed, why is the change required or desired and how should the change be brought about. The 'what' and 'why' are answered by the internal and external factors of change while the 'how' is answered by the process of change suggested by the theorists. The experience, understanding and attitude of management also help in determining the process. Click on the link below to read about the three dimensions of change.

Source:

http://www.vectorstudy.com/management_theories/3_dimensions_of_strategic_change.htm

3.2 Types of Change

A change may be unplanned or it may be planned. It depends on whether a change has been introduced in consequence of a need that has occurred or in anticipation of a need that is felt to occur. When the change is a planned one, it goes through various stages. This is referred to as the process of change.

What ever way the change comes it does come and it has to be managed effectively. Effective management depends upon the way manager's deal with different types of changes. Some changes occur suddenly and without any conscious effort of the people. Such changes in the organization are termed as unplanned changes. As they occur due to a response or a reaction to some thing, they are also called reactive changes. However, some changes are consciously and deliberately initiated by the management to bring about efficiency in its working. The management expects that as a result of few changes, it shall be able to attain its objectives in a better manner, with improved quality or increases promptness of delivery, better satisfaction to the customers, or the like. When changes are brought in properly and are systematically planned, they are termed as planned changes. As these changes are thought of in anticipation of the future, brought in strategically, they are also called proactive changes.

Difference between Reactive and Proactive Change

Basis	Reactive Change	Proactive Change
Scope	Narrow scope	Wide scope
Nature	These are changes of routine and simple nature.	These are crucial changes affecting the survival of

Organisational Change

		organisations
Implementation	Changes are made on the occurrence of the events	Changes are planned in anticipation of events
Commitment of resources	Not too many resources in terms of time, money, know how and skills are required.	Huge amount of resources are required.
Impact of implementation	Enables survival.	Provides an edge over competition, promotes growth.
Impact of non-implementation	May result in operating losses.	Endangers the survival of firms.
Example	Immediate increase in production of drugs by the pharmaceutical industry in case an epidemic breaks.	Planning of a drug that is less expensive, or more effective.

Value Addition 3: Image
Reactive and Proactive Futures
Click on the link below to read about the reactive and proactive futures. Remember when we talk or think about change, we are focussing on future. Reactive and proactive approaches are two techniques of altering the future. In the attempt to bring about a change, we ask ourselves different set of questions.
Source: http://thinkingfutures.net/wp-content/uploads/Proactive-Questions.jpg

Components or Elements to Planned Change

The key areas that are affected by introducing a change are organizational structure, technology or people. Structural changes demand reorganization of work groups, change from centralization to decentralization or vice versa and from wide span of control to narrow span of control or vice versa. A change may also be required in the job design, work schedules, communication system or job responsibilities. Such a change is brought about to improve the productivity, employee morale and motivation thus improving the overall organisational performance. Technological changes refer to changes in the tools, equipment, processes, knowledge and techniques used for producing goods and services. Such changes are necessary to compete in the domestic and international markets. When structural and technological changes are brought about, they need to be implemented by human resources in the organisation. This calls for changing human behaviour, skills, knowledge, attitudes and beliefs to implement the change in the interest of the organisation. Change in peoples' attitudes can be brought about through recruitment and selection, training and development and other organisational development techniques. The following figure shows the possible areas of change in the organisation's structure, technology and people.

Figure 4: Areas of Organisational Change (An Interactive Diagram)

Organisational Change

Structural Changes	Technological Changes	People Changes
Job design	Equipment	Abilities and Skills
Departmentalization	Work processes	Performance
Reporting relationships	Work sequences	Perceptions
Authority distribution	Information systems	Expectations
Coordination mechanism	Control systems	Attitudes
Line-Staff structure	Authority and Relationship	Values
Overall design	Flow of work	Efficiency
Culture		Friendliness
Human resource management		Training

Value Addition 4: Activity

Strategic Change

Visit any organisation and try to find out the strategic changes that it has undergone (if any) with respect to its people, organisation structure and technology in the past five years. Also try to know whether such changes were resisted initially and what steps were taken to overcome such resistance. If the firm has not undergone any such change, has its growth been affected in some or the other way? Note down your findings and discuss with your friends and your tutor if possible.

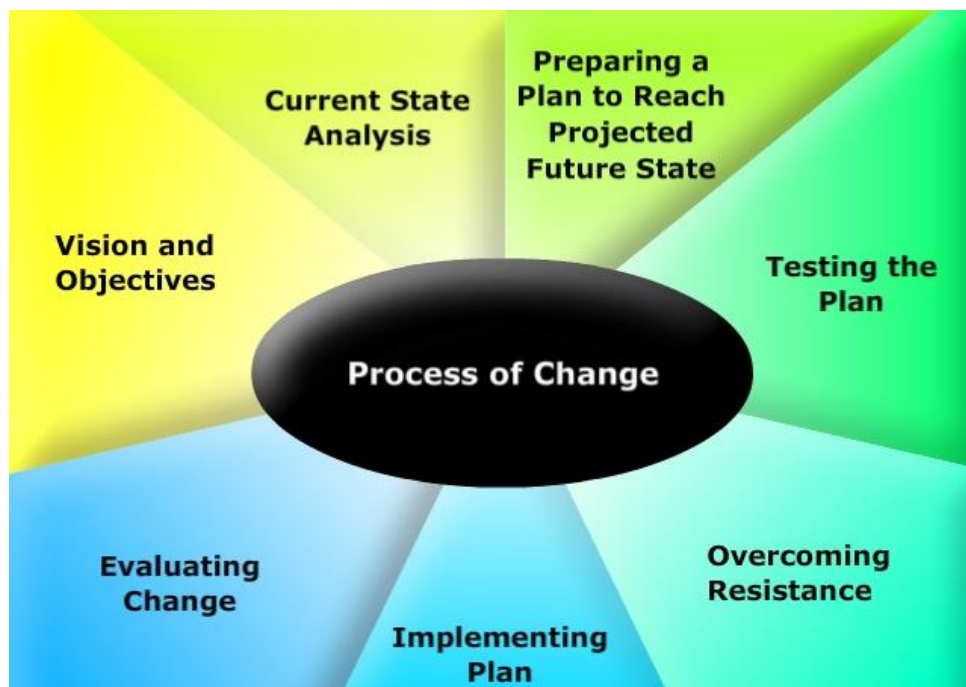
Process of Planned Change - Planned change is a complex process and requires intensive planning and monitoring of the change process. Managers take the following steps in the management of change:

1. **Perceive a situation for change** - The first step in the management of change is to feel the need for change, which is defined by the organisation's desire to move from the existing situation (equilibrium) to the desired situation (new equilibrium). This step is the beginning of the change process as a vision for a new and different future state is conceived and rationalized, the purpose of change is stated, and the objectives are laid down.
2. **Analysis of existing situation** - The desire to reach a new state of equilibrium requires analysis of the existing methods, processes, hierarchical structure, goals and objectives, use of technology and people in an organization. A thoughtful and detailed analysis of the existing situation of the organisation together with a detailed description of the desired future state will help the managers to identify the gap and a plan to fill the gap. Managers will then be able to identify the type of change to be initiated, i.e. structural, or technological or people.
3. **Prepare a plan for change** - After the existing situation is analyzed and the need for change is felt, managers prepare a plan for initiating the change. This plan is a design to arrive at the perceived future state. Preparing plans for change offers the following advantages:
 - It leads to systematic implementation of the change.
 - It increases people's participation in the change process rather than people resisting the change.
 - It improves communication amongst the organisational members.

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- It leads to optimum utilization of capital resources.
 - It fosters departmental coordination towards proposed change.
 - Decisions regarding change agent, methodology for implementing the change, time for initiating it, are made in advance.
 - Future requirements of jobs in the new structure with respect to people, training programmes required can also be ascertained.
4. **Pre-testing of the plan** - Resources once committed to the plan to bring about a change cannot be easily reversed. The plan should therefore be pre-tested in a unit or a department and the problems encountered should be corrected.
 5. **Overcome resistance to change**- Managers must identify resistance shown by people and try to overcome resistance by facilitating and helping members to accept the change. Until this is done, it will not ease the process of transition from present situation to the ideal situation.
 6. **Implement the change** - Once resistance to change is overcome the resources are actually committed to various functional areas. New authority-responsibility relationships are established, people are trained and placed at their respective jobs; a sound communication system is designed and other operative and administrative arrangements are made to implement the change.
 7. **Monitor or review the change**- A successfully planned and implemented change may not always bring the desired results. The change process must, therefore, be regularly monitored and reviewed to analyze the after effects of change. Deviations must be brought to the notice of the managers so that the corrective action can be taken to smooth out the process of change.

Figure 5: Change Process begins with Vision and is continuously Evaluated



4. Kurt-Lewin's Model of Change

A change as you now know is moving and accepting something new in place of something old. This transition involves seven steps described above. However, these may be combined in three major steps. After a person has felt a need for change, he needs to first give up his current ways of doing things. He then has to adopt a new method. Thereafter, he has to follow

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that new method consistently to make it permanent. This three-step model was described by Kurt Lewin. His model gives us three stages of change process, namely, Unfreeze-Change-Refreeze. Kurt Lewin postulated that in order for any change to become visible, it must successfully go through these three stages. According to him, it becomes important for the organizations to discontinue the status quo, move to a new state and then refreeze at the new state in order to make it permanent state and the new status quo. The status quo has been described as a state of equilibrium. When the equilibrium is disturbed, there is bound to be both individual and group resistance. Therefore, unfreezing refers to leaving the restricting attitudes. Movement or change, according to him requires an alteration of self-conceptions and ways of thinking. Finally, by refreezing, he refers to a state where the new altered behaviour, self-concept or thoughts are solidified or crystallized such that they become permanent and become a normal way of life for the individual such that he is no more anxious about his new state.

Remember, a change must involve collecting information and learning, developing a strategy for change, followed by implementing and monitoring change. Let us take an example: Do you exercise in the morning? Suppose you don't and you now want to work out daily in the morning. You do so for the first week, but thereafter you fail to carry it on consistently. You skip a few days, then workout for some, and then again skip following your exercise regime. Will you call it a change when you take it up again? Certainly not. For a change to happen, it requires going through the three stage process from unfreezing to refreezing. Let us look into these three steps in detail:

1. Unfreezing – It signifies unlearning, letting go off the old manner of working or way of thinking. It requires people to leave and say goodbye to the old ways that they were accustomed to. On the part of personnel in an organization, this stage is difficult for them as they relate their old ways to comfort and success. On the part of the managers, it requires an understanding and appreciation that the employees have apprehensions about the new ways. Therefore adequate time must be allowed to make people feel comfortable with leaving the old ways in order to adopt the new ways. A clear understanding of the purpose of such transition is important and they must be informed of the benefits that they and the organization would receive as a result.

Current thinking can be unfrozen and resistance to change can be eliminated by following any of the following techniques:

- a. Building employees' trust and confidence,
 - b. Enhancing employees' motivation,
 - c. Improving communication,
 - d. Challenging the employees to achieve remarkable things,
 - e. Having participative decision making.
2. Changing or Moving – It begins with people being neutral. After having allowed them sufficient time to leave their old ways, employees must be granted enough time to adopt new ways. This is because while leaving the familiar ways is one set of difficulty, adapting to a new and unfamiliar way is yet another set of difficulty, often of a bigger magnitude. Managers must try to make them ready to take up the new method, process, or an attitude towards work. Managers must not forget that there is bound to be failures initially, leading to dissatisfaction and confusion among the employees. There is every possibility that in the slightest of confusing situations employees would want to and prefer to revert back to the old ways. Managers have to be really watchful and supportive during this stage.

Driving people to change their behaviour and attitudes can take two forms:

- a. Negative: Managers announce the change and the members are subject to threats and punishments in case they do not follow. Such a change does not have a lasting impact, and has to be closely monitored.
- b. Positive: Managers motivate the individuals to feel the need for change and thereby accept it as a positive force. Since it is willingly accepted, it is permanent in nature.

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Having unfrozen the people, the managers can have them going by following techniques:

- i. Delegating responsibility to subordinates,
 - ii. Developing two-way relationship between the initiator and those who are affected by the change.
3. Refreezing – It refers to the stage when people in the organization have moved forward and started to work in newer ways, as envisaged by the management. Although, this has taken its due course of time for convincing, and the employees have been made to change willingly by overcoming their resistance and explaining the benefits of change to them, nevertheless, the managers must not take this stage casually. They must take utmost care so that the employees do not develop any kind of resentment about adopting the new ways. A close supervision of the employees will help prevent employees from going back to the previous ways. In other words, this stage is all about locking the new behaviour pattern by extending support and making them trust the system. Gradually a system of reward and recognition may be used to reinforce the employees who have frozen on the new mechanisms as a method to reinforce them and inspire other to follow them. Such a step will help the new way become a norm for all.

To refreeze the behaviour, it may be reinforced by any of the following techniques:

- a. Ensuring there is no way back by understanding reasons for resisting change and overcoming resistance,
- b. Building change in their formal systems and structures,
- c. Relating changed behaviour with the reward system,
- d. Relating individual goals with organisational goals so that fulfilment of organisational goals is viewed as fulfilment of individual goals.

The following figure summarizes Kurt Lewin's model of organisational change, demonstrating the actions undertaken at the unfreeze stage, move (or action) stage, and refreeze stage. It shows that while heading from the unfreeze stage to the action stage, one needs to increase the forces that drive change and reduce the forces that cause resistance to change. These stages happen as time progresses, beginning with initiation at the unfreeze stage; adopting and adapting at the move stage; and using, incorporating, and habituating at the refreeze stage.

Figure 6: Kurt Lewin's Organisational Change Model



It should be clear that change involves unfreezing the existing state of equilibrium, moving to a different desired stage and then refreezing at the new state of equilibrium. Remember

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refreezing is very important, else change will not be effective and the person may revert back to his old state of equilibrium.

Value Addition 5: Surf and Learn

Change Management

Click on the link below to know more on the extension of Lewin's model to another stage of organizational change.

Source: http://www.howtochangemanagement.com/2012/12/first-mckinsey-change-management-model.html

5. Resistance to Change

Resistance to change is a very normal and expected phenomenon for all individuals and even for groups in an organization. The general perception is that change is a threat to the existence or survival of individuals or groups. Another misconception is that the management has a vested interest that may be detrimental to the personnel. So, it is a reflex action on the part of people to resist and not welcome the change. What they have to be told, explained and made to understand is that it is only a perception and not a reality. Also, the notion of threat is only a misconception, and the change may be an opportunity equally to the personnel as it is to the organization. It may lead to the growth of both simultaneously. As long as the change is perceived as a threat, no matter how trivial, it is bound to cause resistance. Convincing the employees that the threat is not real, but only abstract in their minds, and will not lead to any loss of freedom, power, or access to resources is the key to overcome their reluctance to accept change. Resistance may take many forms; it may be active or passive, overt or covert, individual or organized, aggressive or timid. Resistance to change may be because of some internal or external reason. Some of the common fears amongst the employees in an organisation that may cause them to resist change include:

- Fear of going away from the known to the unknown.
- Fear of losing the peer group.
- Fear of lack of competence to take up the new responsibility.
- Fear that the proposed change is a wrong decision altogether and will affect your career adversely.
- Fear of criticism from others.

Factors Causing Resistance to Change

Consider if you are asked to join some course of study away from home and family, and take up hostel accommodation, will you readily accept it, or will you have some fears in your mind? You may have one or similar fears like: fear of going away from the family and parents, fear of losing your childhood and adolescence friends, fear of lack of competence to take up the new course of study, fear that the proposed change is a wrong decision altogether and will affect your career adversely, fear of loss of crucial time in your academic pursuits, fear that the course under consideration does not have a good placement value, etc.

People generally are not comfortable with change since they do not want to be changed. Shedding the known and entering into the unknown is an uphill task that requires a lot of courage, determination and even an external push. Fear and resistance to change are almost all time companions to change. The fear to lose something one values, ambiguity or lack of information about the implications of change, considering change to be useless, difficulty in coping up with the level or pace of the change are some factors that cause resistance.

Value Addition 6: Case study

Resistance to Change is all pervasive
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Click on the link below to read an article on 'Applying Change Management Techniques Online'.

Source: http://ffynnonweb.com/2008/06/21/applying-change-management-techniques-online/

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Individuals in an organisation resist change because of one or more of the following reasons:

- Change implies uncertainty, and an uncertain and unpredictable situation is not very comfortable. The employees may become highly anxious as they do not know what may potentially happen and therefore they resist change.
- The fear of failure in the new environment leads an individual to resist change. This is because the new way of doing things might require skills or abilities of a higher order. This causes discomfort to the individual, who has worked hard in the past to achieve a comfort level with the existing operating environment.
- A general disagreement on the part of individuals regarding the desirability or necessity of bringing a change often causes unrest to people.
- Individuals are apprehensive of losing something they value as a result of change. They are generally calculative in how the change affects them. They try to justify their resistance to themselves by asserting that the change will harm them. This is later reflected in their behaviour and attitude to work.
- Many a times, even when an individual knows that a change is good for the organization, as well as for him/her, there is reluctance to stretch oneself beyond the current level of activity. Stretching beyond might even be scary for some. So, they keep putting things off, rather than confronting their fears. They simply avoid taking risk and settle for something less than what they actually deserve.
- Lack of initiative and motivation on the part of some individuals who rely too much on destiny, make them reluctant to do anything new. Such people also demonstrate resistance to accepting changes initiated by others. Failing to change in the belief that, everything will work well by itself, and nature will take its course makes such individuals passive.
- People resist change when they misunderstand or show lack of trust in the implications of change. Participative style of management where those who initiate or propose change and those who administer it or are affected by it resolves this gap of understanding.
- All organizations try to maintain a status quo and suffer from inertia to some degree.

Value Addition 7: Video

Individual's Resistance to Change

Click on the link below to watch a video that describes the fact that resistance to change is a common phenomenon, every individual has a logic to resist or not to resist change, and that the managers must consider the positives and the negatives of 'change' and 'no change' for each individual and devise customized strategies to overcome their resistance.

Source: <http://www.youtube.com/watch?v=hc21aZ60k7w>

Value Addition 8: Image

Stages of Resistance to Change

Click on the link below to view an image that depicts the emotional state of a person along the stages of resistance to change from immobilization of a stable condition till the time change is accepted.

Source: http://sbassoc.org/wp-content/uploads/2012/05/stages_of_resistance_to_change1.jpg

7. Strategies to Overcoming Resistance to Change

People generally fear what they do not understand. It is said that an unwilling user can always make an idea fail, no matter how good it is. Have you ever experienced people resisting to adopt new technology? Resistance towards application of technology in teaching and learning, or at the work places, use of mobile or its applications by older people in families, the methods of online ticketing in railways and airlines, or web shopping are not very uncommon. Many people find adopting credit cards, debit cards or ATM cards Internet banking difficult.

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Individuals and groups in the organizations can be made responsive to change and welcome it, rather than resist it, by making them visualize the harmony in achievement of their personal goals with those of the organization as a consequence of change.

"It is easier to resist at the beginning than at the end."

– Leonardo da Vinci

The above statement clearly indicates that resistance to change is not same during all the phases of the change process. Likewise, it may not be the same for changes of different magnitudes. A change that the individuals need, more than the organization, may not see any resistance at all. Even the changes that are initiated by employees or their representatives are welcomed and accepted readily. However, in cases where resistant to change is prevalent; managers would have to adopt suitable strategies to overcome such resistance.

Value Addition 9: Video

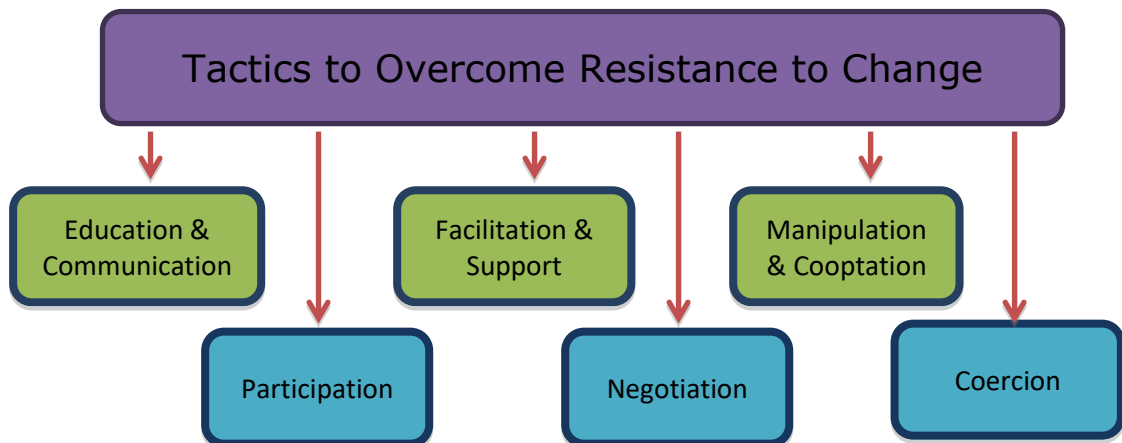
Overcoming Resistance to Change

Click on the link below to watch a simple demonstration of how resistance to change can be tackled for different individuals.

Source: <http://www.youtube.com/watch?v=wU3bTkqHoXc>

Overcoming resistance to change was addressed by Kotter et al. in 1986. He suggested seven ways of overcoming resistance to change that may be used either individually or jointly with other ways. He also suggested that not all strategies are applicable to a particular case, and each strategy suggested by him is suitable in specific circumstances. Hence knowledge of these strategies is highly useful to the managers in matters of organizational change.

Figure 7: Strategies of Overcoming Resistance to Change



The Tactics used to overcome resistance to change are described below:

- 1. Education and Communication:** The individuals and groups will very obviously resist change unless they are acquainted with the rationale behind change. A large proportion of employees in the organization may be considered to be willing to accept change, provided they are convinced with its logic. For such people, simply informing and educating them about the reasons for bringing about a change works. No information, poor or distorted information or a communication gap results in resistance to change among such people. A free and open discussion and presentation of facts, answering of queries may work wonders with such people who otherwise have a fair degree of trust in the management and themselves.
- 2. Participation:** If people are not made to participate in the change decision, they are not to be blamed for resistance. A change that has been initiated with participation and consultation with people who are related to change will hardly witness any resistance. In order to help them surrender their resistance, they must be made to participate in the change decision process. Care should however be taken that such people who are

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made a party to change decision process are worthy of making useful contributions. Otherwise, a lot of time is bound to be wasted in useless discussions with no results or a poor decision may be arrived at.

- 3. Facilitation and Support:** If the proposed change has something to do with the level of expertise or skills in performing the tasks, employees must be made comfortable by arranging suitable training and development sessions. If needed, they must be counselled that they will be able to acquire the required skills without undergoing any pain, and that they will be benefited the most in the long run. Such a program must however be initiated only after weighing the costs and benefits of skill and knowledge up gradation to the management. Such a program besides entailing costs, will also be time consuming and will effect the normal working of the enterprise without giving any assurances of success even after all necessary support has been extended.
- 4. Negotiation:** At times resistance comes from a source that is very influential and powerful. Convincing, explaining, educating or training does not work there. It is a fair negotiation that may have to be used in such a case. It may turn out to be more costly than any other strategy of overcoming resistance to the organization.
- 5. Manipulation and Cooptation:** Manipulation may take many forms, such as, tampering with the records to window dress them, distorting facts to make them appear more lucrative, withholding information that will not be accepted by the employees, creating rumours that will make employees accept the change. While none of these is recommended for the management, in practice when the gains of change are large and the resistance to change is baseless, management may manipulate facts in the interest of both individuals and the larger organization. Cooptation is a form of participation. This tactic must be used sparingly, as there is a high probability of resentment and condemnation if the employees feel victimized of manipulation.
- 6. Coercion:** It refers to application of force or use of power or threat to get something done. The employees may be threatened to be transferred or laid off, or their promotions may be delayed, complications may be introduced in their performance appraisal, or their contributions may be undervalued. In case of such a possibility, the employees may accept change, although unwillingly. Again this tactic cannot produce the desired long term results, unless immediately after adopting change, the employee feels it was good for him/her and give it a willing acceptance.

Besides the tactics mentioned above, the managers may also follow the following:

- Build trust and confidence among the employees by communicating with them the benefits of proposed changes,
- Providing guarantee of job security for overcoming resistance to technological changes.

Value Addition 10: Image
Tactics of Overcoming Resistance to Change
Click on the link below to view an image that depicts the emotional state of a person along the stages of resistance to change from immobilization of a stable condition till the time change is accepted.
Source: http://ffynnonweb.com/wp-content/uploads/2008/06/kotter_changetable1.png

Summary:

- Change is the essence of life. Nothing is permanent in this world except change.
- Organizations need to keep themselves attuned with the changing business environment and juggle with the constantly changing demands of the people it interact with.
- Change refers to collecting information and learning from it, analyzing it and developing a strategy based on it, and thereafter implementing the new strategy and constantly monitoring its adherence.

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- The factors that make it necessary to bring about change may be internal to an organisation and at other times external to the organisation.
- A change may be unplanned or it may be planned, in other words it may be reactive or proactive.
- A change may be brought about in the organizational structure, technology or its people.
- Kurt Lewin proposed a three-step model of change describing three stages of change process, namely, Unfreeze-Change-Refreeze.
- Resistance to change is a very normal and expected phenomenon for all individuals and even for groups in an organization. Fear and resistance to change are almost all time companions to change. There are many other factors that cause such resistance.
- Kotter proposed six strategies to overcome resistance to change namely, education and communication, participation, facilitation and support, negotiation, manipulation and Cooptation, and coercion. These have to be applied keeping in mind the people at the other end who are resisting change and the reasons for such resistance.

Exercises:

A. Objective Type Questions:

1. Which of the following is an internal factor of change?
 - a. Natural factor
 - b. Span of control
 - c. Economic factor
 - d. Global factors
2. Classify the following as a reactive change and which is a proactive change:
 - a. Hotel executives in a hill station expect an early summer break in schools due to increase in the level of temperature in Delhi, and expecting a large number of travellers they create an additional block of rooms in their hotel. - Proactive
 - b. Hotel executives have received repeated requests for accommodation by travellers due to unexpected break of summer vacations prior to the scheduled time, and reservation could not be made due to unavailability of additional rooms. Later they decided to create an additional block of rooms to meet the increase in demand. *reactive*
3. Fill Up the Blanks:
 - i. Change is brought about by change _____ .
 - ii. Workers' dissatisfaction with the working conditions is _____ factor of organisational change.
 - iii. _____ changes refer to changes in the tools, equipment, processes, knowledge and techniques used for producing goods and services.
 - iv. Deciding about the change agent, methodology for implementing the change, time for initiating it, is a process of change _____ .
 - v. Increasing the driving forces leading to change and reducing the resisting factors for change happens in _____ stage of change process.
4. State True or False:
 - i. A change involves a uncertainty and risk.
 - ii. People changes demand reorganization of work groups and changing the span of control.
 - iii. Unfreeze-Change-Refreeze model of change has been propounded by Kotter.
 - iv. A close supervision of the employees in refreeze stage is required to prevent employees from going back to the previous ways.
 - v. Resistance to change occurs when change is a real threat.

B. Short Answer Questions:

1. What do you mean by 'change'?
2. Describe the nature of organisational change.
3. Why do people resist change in an organisational setting?

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4. What do you mean by planned change?
5. Differentiate between planned and unplanned change.
6. Give a few examples of structural, people and technological change.
7. Explain the nature and process of change.
8. Briefly explain the process of planned change.

C. Long Answer Questions:

1. Explain strategic change. State the various factors which cause strategic change.
2. What are the external factors causing change in an organisation? Why are they so called?
3. Why are organisational changes often resisted by individuals in an organisation?
4. Explain the various strategies for overcoming resistance to change. What are the main steps in the process of managing change?
5. What do you mean by change? What stages a person undergoes in the process of change?
6. Briefly describe the advantage and disadvantage of using a particular tactic for overcoming resistance to change.

(Answers to Objective Type Questions:

1. b
2. a- Proactive, b- reactive
3. Fill Up the Blanks:
 - i. agents
 - ii. internal
 - iii. Technological
 - iv. Management
 - v. unfreeze
4. State True or False:
 - i. True
 - ii. False
 - iii. False
 - iv. True
 - v. False)

Glossary:

- **Equilibrium:** It represents a state of balance. In the absence of any external influences, people feel comfortable in their current state of balance and are therefore not willing to change.
- **Active resistance:** Active resistance is state where people actively resist to accept a change.
- **Passive resistance:** Passive resistance refers to peaceful resistance to a person, an organisation or a government by fasting or refusing to cooperate.
- **Overt resistance:** Overt or explicit resistance is resistance that is openly expressed and is not secretive or concealed.
- **Covert resistance:** Covert or implicit resistance is hidden, secretive, or concealed resistance.
- **Aggressive resistance:** Aggressive resistance refers to unwillingness to adhere to a scheme of change in a harsh way. For example, the employees exhibit resistance or unwillingness towards adoption of a scheme by going on a strike.
- **Timid resistance:** Timid resistance refers to where the person who resists is fearful and lacks courage or confidence to express his resistance openly.
- **Co-optation:** Co-optation refers to the selection of a new member (usually by a vote of the existing membership). Here it refers to selection of a person who is most influential amongst the resisters.
- **Coercion:** Coercion refers to the use of force or compulsion on people to exhibit some desired behaviour. It represents a situation of absence of free will.
- **Management of change:** Management of change refers to planning, implementing and reviewing of change.

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1. Work Cited:

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- Ricky W. Griffin; Management, 5th edition, p.360.
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- [http://wiki.answers.com/Q/Is unfreezing important to bring change in the organization properly](http://wiki.answers.com/Q/Is_unfreezing_important_to_bring_change_in_the_organization_properly)
- <http://www.icmrindia.org/courseware/Organizational%20Behavior/OB-DS21.htm>
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- http://changingminds.org/disciplines/change_management/resistance_change/resistance_change.htm
- http://www.1000ventures.com/business_guide/crosscuttings/change_resistance.html
- <http://saeedkhamseh.blogspot.in/2010/12/tactics-to-overcome-resistance-to.html>

2. Suggested Readings:

- Newstrom John W. : Organizational Behaviour, Tata Mc Graw Hill, 12th Edition
- Luthans Fred : Organizational Behaviour, Tata Mc Graw Hill
- Mc Shane L. Steven, Glinow Mary Ann Von & Sharma Radha R. - Organisational Behaviour Tata Mc Graw Hill, 3rd Edition
- Robbins Stephen P. : Organizational Behaviour, Pearson Education, 12th Edition
- Hersey Paul, Blanchard, Kenneth H and Johnson Dewey E. : Management of Organisational Behaviour: Leading Human Resources , Pearson Education, 8th Edition
- Greenberg Jerald and Baron Robert A. : Behaviour In Organisations: Understanding and Managing the Human Side of Work, Prentice Hall of India
- Davis, Keith : Human Behaviour at Works, Tata Mc Graw Hill, New Delhi.
- Pareek, Udai : Behavioral Process in Organisation, Oxford 4 IBH, New Delhi
- Tosi, Rizzo,&Carroll : Managing Organisational Behaviour-Blackwell Publishers
- Gregory Moorhead, Ricky. W.Griffin(Biztantra 7th Edition)

3. Web Links:

- Visit the URL http://www.schulersolutions.com/resistance_to_change.html and learn more about resistance to change.
- Visit the URL <http://www.tapsterrock.com/change.html> to know more about meaning and process of strategic change.
- To study more about planned change, features of planned change, its process and techniques and on resistance to change, visit the URL and scroll down to page 515 and read to page 518 http://books.google.co.in/books?id=clbd46JTIQcC&pg=PA516&lpg=PA516&dq=process+of+planned+change+in+organisations&source=web&ots=M2hBenfHP&sig=8tunN6x2-mP53WXYw9nCTSC6ass&hl=en&sa=X&oi=book_result&resnum=1&ct=result#PPT1,M1
- Visit the URL <http://www.msa.com/enterprise/index.htm> and learn more on process of strategic change.
- View more on Strategic Change at the URL <http://www.building4business.com.au/>
- Visit the http://www.vectorstudy.com/management_theories/3_dimensions_of_strategic_change.htm URL to know more on the dimensions of strategic change.
- Visit the link <https://www.youtube.com/watch?v=SP91F7KeNYQ> to watch a video on Kurt Lewin Change Management.
- Visit the link <https://www.youtube.com/watch?v=Iq8zAFvYw84> to watch a video on Kotter's 8 step Change Model.
- Visit the link <http://shegeeks.net/she-geeks-in-tech-resistance-to-change-online-and-techniques-to-overcome-it/> to read more on resistance to change.

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- Visit the http://www.valuebasedmanagement.net/methods_kotter_change_approaches.html to read on Kotter's approaches to deal with resistance to change.

link