**UNIT : 7**

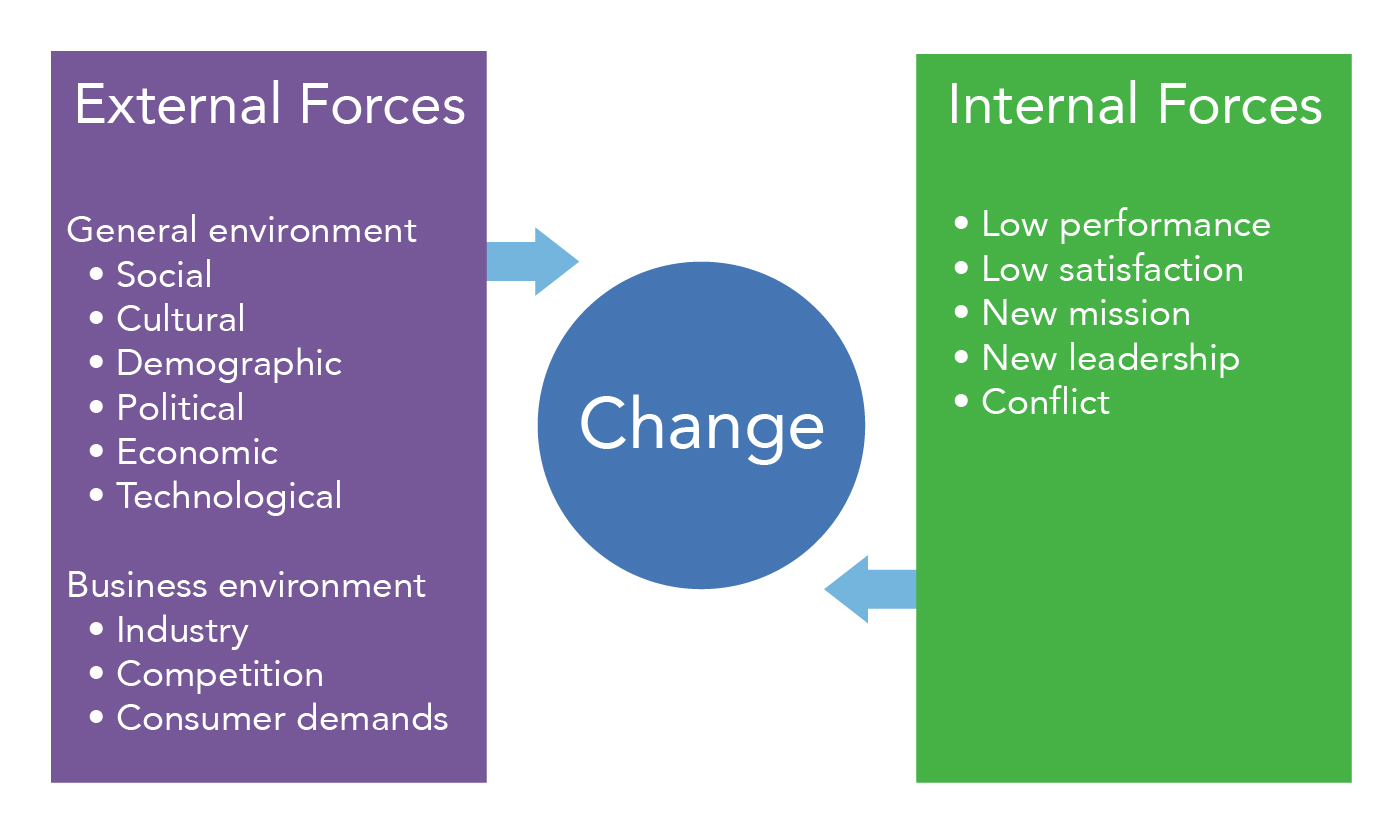
**Managing Change in Organization**: Definition, Forces of Change, Causes for Resistance to Change, Overcoming Resistance to change, Force Field Analysis and Kotter's Model for Change

**Organizational change** can be **defined** as the alteration in structure, technology or people in an organization or **behavior** by an organization. ... Internal factor − Internal factors are those factors that are caused or introduced inside an organization that forces a **change**. For example, no smoking in the workplace.

Organisational change refers to the alteration of structural relationships and roles of people in the organization. It is largely structural in nature. An enterprise can be changed in several ways. Its technology can be changed, its structure, its people and other elements can be changed. Organisational change calls for a change in the individual behaviour of the employees.

What Is **Resistance to Change**? **Resistance to change** is the unwillingness to adapt to altered circumstances. It can be covert or overt, organized, or individual. Employees may realize they don't like or want a **change** and resist publicly, and that can be very disruptive.

## Forces of Change



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| Organizations survive, grow or decay depending upon the changing behaviour of the employees. Most changes disturb the equilibrium of situation and environment in which the individuals or groups exist. If a change is detrimental to the interests of individuals or groups, they will resist the change. Causes of Organisational Change:(A) External Pressures: **i. Change in Technology and Equipment**:  Advancements in technology is the major cause (i.e., external pressure) of change. Each technological alternative results in new forms of organization to meet and match the needs.  **ii. Market Situation**:  Changes in market situation include rapidly changing goals, needs and desires of consumers, suppliers, unions etc. If an organization has to survive, it has to cope with changes in market situations.  **iii. Social and Political Changes**:  Organisational units literally have no control over social and political changes in the country. Relations between government and business or drive for social equality are some factors which may compel for organisational change. (B) Internal Pressures (Pressures for Change from Within the Organisation): **i. Changes in the Managerial Personnel:**  One of the most frequent reasons for major changes in the organisation is the change of executives at the top. No two managers have the same style, skills or managerial philosophies.  **ii. Deficiencies in the Existing Organization**:  Many deficiencies are noticed in the organisations with the passage of time. A change is necessary to remove such deficiencies as lack of uniformity in the policies, obstacles in communication, any ambiguity etc.  **iii. Other Factors:**  Certain other factors such as listed below also demand a change in the organisation.  Employee’s desire to share in decision-making  Employee’s desire for higher wage rate  Improvement in working conditions, etc. Response to Organisational Change: Every change is responded by the people working in the organisation. These responses may be positive or negative depending upon the fact as how they affect people.  **[Response to Change](https://cdn.businessmanagementideas.com/wp-content/uploads/2017/01/clip_image002-14.jpg)**  Before introducing a change, the manager should study and understand employee’s attitudes so as to create a positive response. Three sets of factors-psychological, personal and social- govern the attitude of people. Resistance to Organisational Change: Resistance to change is perhaps one of the baffling problems a manager encounters because it can take many shapes. People may resign, they may show tardiness, loss of motivation to work, increased absenteeism, request for transfer, wild-cat strikes, shoddy work, reduction in productivity etc. **Classification of Resistance to Change:** **Resistance to change may be classified as:**  1. Industrial Resistance  2. Organisational Resistance  **1. Industrial Resistance:**  **Individual resistance may be there because of the following reasons:**  **A. Economic Reasons**:  **(a) Obsolescence of Skills:**  When a person feels that with the introduction of newer processes, his skills will just become obsolete, he will resist the change. For example, a twenty years experienced accountant is quite likely to resist the introduction of a computer for preparing the wage bills because he feels that might affect his pay and position.  **(b) Fear of Economic Loss:**  People resist change if it opens the possibility of lowering their income directly or indirectly.  **B. Personal Reasons**:  **(a) Ego Defensiveness:**  A sales manager may turn down the suggestions of a salesman simply because the manager perceives that his ego may be deflated by accepting the suggestion.  **(b) Status Quo:**  Most of the people feel comfortable with status quo and strongly resist change as it may involve uncertainty and risk.  **(c) Fear of Unknown:**  Change presents unknown and unknown poses a constant threat and sores people. For fear of unknown, a manager may refuse promotion that requires his relocating in another state.  **C. Social Reasons:**  **(a) Social Displacement:**  Introduction of change (e.g., relocating) may result in breaking up of work groups and thus result in disturbance of the existing social relationships of people.  **(b) Peer Pressure:**  Whenever change is unwilling to the peers, they force the individual subordinate employees who are bent of accepting the change, to resist it.  **2. Organizational Resistance**:  Resistance may also be present at organizational level. Some organizations are so designed that they resist innovations.  :  **Some of the reasons of organizational resistance are:**  **(a) Threats to Power and Influence:**  Some people (especially sitting at the top levels) resist change because they feel that a change might affect their position, power and influence in the organization.  **(b) Organizational Structure:**  Some organization structures (e.g., bureaucratic structure) have inbuilt mechanism for resis­tance to change.  **(c) Resource Constraints:**  Non-availability of financial, material and human resources may also act as a resistance to change.  **(d) Sunk Cost:**  In some companies, heavy capital is blocked in the fixed or permanent assets. If such an organization wishes to introduce change, then difficulty arises because of these sunk costs. Overcoming Resistance to Organisational Change: Change creates tension and emotional turmoil in the minds of employees. Change thus results in resistance quite frequently, negative reactions doom the success of the change program espe­cially when a manager is unable to handle it properly.  **Some of the techniques to handle the change properly and to deal with resistance to change are:**  **(a) Education and Communication:**  One of the easiest techniques to overcome resistance to change is to educate the people who resist it. In many cases, people do not properly understand the change and hence become afraid of its consequences and resist change.  **(b) Participation and Involvement:**  If subordinates are allowed to participate and involve themselves in the change process (decision-making regarding the implementation of the change), their misunderstandings about the consequences of change are cleared, they generally feel satisfied and do not oppose change.  **(c) Support:**  Support may be facilitative and emotional. Managers sometimes deal with potential resistance by being supportive. This includes listening, providing emotional support, providing training in new skills etc.  **(d) Incentives:**  Offering incentive is another fruitful way to overcome resistance to change.  **(e) Manipulation:**  Managers generally indulge in manipulation when all other tactics have failed to overcome resistance to change.  **(f) Coercion:**  At times, there is no way except to deal with resistance coercively. People are forced to accept change by threatening them with loss of their jobs, promotion possibilities and so forth. **Why People Resist Change** In practice, there are 8 common reasons why people resist change: ****(1) Loss of status or job security in the organization**** https://managementisajourney.com/wp-content/uploads/2010/01/Risk-300x214.jpgIt is not our nature to make changes that we view as harmful to our current situation. In an organizational setting, this means employees, peers, and managers will resist administrative and technological changes that result in their role being eliminated or reduced. From their perspective, your change is harmful to their place in the organization!  Forcing a change on others has its place. Over time, however, when this is the only approach that you use to make change, you’ll find that your change results suffer. If you overuse this approach, you will harm your  effectiveness over the long term as others will find [direct and indirect ways](https://managementisajourney.com/five-ways-employees-both-get-mad-and-get-even/) to resist you. Without a thoughtful change strategy to address resistance to change, you will trigger strong resistance and organizational turnover. ****(2) Poorly aligned (non-reinforcing) reward systems**** Confused ManagerThere is a common business saying that managers get what they reward. Organizational stakeholders will resist change when they do not see any rewards.  When working with managers, I will ask them, Where is the reward to employees for implementing your change?  Without a reward, there is no motivation for your team to support your change over the long term. This often means that organizational reward systems must be altered in some way to support the change that you want to implement. The change does not have to always be major or costly. [Intrinsic rewards](https://managementisajourney.com/intrinsic-rewards-youll-need-more-than-money-and-benefits/) are very powerful motivators in the workplace that are non-monetary. ****(3) Surprise and fear of the unknown**** https://managementisajourney.com/wp-content/uploads/2010/01/Shocked-man-300x261.pngThe less your team members know about the change and its impact on them, the more fearful they will become. Leading change also requires not springing surprises on the organization! Your organization needs to be prepared for the change.  In the absence of continuing two-way communication with you, grapevine rumors fill the void and sabotage the change effort. In fact, [ongoing communication](https://managementisajourney.com/leading-change-step-4-communicate-the-change-vision/) is one of your most critical tools for handling resistance to change. But, it’s not just telling! The neglected part of two-way communication — [listening](https://managementisajourney.com/listening-gets-little-respect/) — is just as powerful.  [Change that is poorly communicated will only stir up organizational resistance.**CLICK TO TWEET**](https://twitter.com/intent/tweet?url=https%3A%2F%2Fmanagementisajourney.com%2F%3Fp%3D89&text=Change%20that%20is%20poorly%20communicated%20will%20only%20stir%20up%20organizational%20resistance.&via=MgmtJourney&related=MgmtJourney) ****(4) Peer pressure.**** https://managementisajourney.com/wp-content/uploads/2010/01/Peer-Pressure-300x214.jpgWhether we are introverted or extroverted, we are still social creatures. Organizational stakeholders will resist change to protect the interests of a group.  You might see this among some of your team members who feel compelled to resist your change to protect their co-workers. If you’re a senior executive or middle manager, your managers who report to you may will resist your change effort to protect their work groups.  As the psychologist Abraham Maslow discussed, the need to [belong to a group](https://managementisajourney.com/motivation-applying-maslows-hierarchy-of-needs-theory/) is a powerful need in the workplace. If your change effort threatens these workplace social bonds, some of your team members may resist your change effort. ****(5) Climate of mistrust**** Meaningful organizational change does not occur in a climate of mistrust. Trust, involves faith in the intentions and behavior of others. Mutual mistrust will doom an otherwise well-conceived change initiative to failure.  If you are trying to implement your change effort in an environment where most of the people working with you mistrust each other, you’ll have limited success. You’ll need to spend some time rebuilding trust if you want better results from your change effort.  Trust is a fragile asset that is [easily harmed](https://managementisajourney.com/how-to-avoid-the-leadership-credibility-gap/).  It's hard to get employees to support the changes that leadership wants to make when all that the employees see for themselves are negative consequences. ****(6) Organizational politics**** https://managementisajourney.com/wp-content/uploads/2017/03/Water-cooler-214x300.jpgSome resist change as a political strategy to “prove” that the decision is wrong. They may also resist to show that the person leading the change is not up to the task. Others may resist because they will lose some power in the organizational. In these instances, these individuals are committed to seeing the change effort fail.  Sometimes when I work with managers they become frustrated with the political resistance that they encounter from others. Political obstacles are frustrating when you are trying to implement needed change. My advice to you is to acknowledge what you are feeling and then take positive steps to counter the organizational resistance you are facing.  [Politics in organizations](https://managementisajourney.com/so-you-think-you-can-ignore-office-politics-think-again/) are a fact of life! ****(7) Fear of failure**** Sweeping changes on the job can cause your team members to doubt their capabilities to perform their duties. What is known is comfortable! Your team members may be resisting these changes because they are worried that they cannot adapt to new work requirements.  Fear is a powerful motivator that can harden people’s intent to resist your efforts to implement change. If you want your change effort to be successful, you’ll need to help your team members [move beyond these fears](https://managementisajourney.com/five-strategies-for-managing-the-fear-of-change/). ****(8) Faulty Implementation Approach****(Lack of tact or poor timing) Sometimes it is not what a leader does, but it is how s/he does it that creates resistance to change! Undue resistance can occur because changes are introduced in an insensitive manner or at an awkward time.  In other words, people may agree with the change that you want to implement but they may not agree with how you are going about [making the change](https://managementisajourney.com/it-wasnt-what-you-did-its-how-you-did-it/).  For any significant organizational change effort to be effective, you’ll need a thoughtful strategy and a thoughtful implementation approach to address these barriers.  So, the next time you hear someone say that people naturally resist change explain to them that this is a myth.  We change all of the time. People in an organization will always evaluate the benefit of any change. Will the change make their organizational lives better? Or, will the change make their lives worse? Process of Organisational Change: Unless the behavioural patterns of the employees change, the change will have a little impact on the effectiveness of the organisation.  **A commonly accepted model for bringing change in people was suggested by Kurt Lewin in terms of three phase process:-**  **[Change Process](https://cdn.businessmanagementideas.com/wp-content/uploads/2017/01/clip_image004-5.jpg)** (1) Unfreezing: The essence of unfreezing phase is that the individual is made to realize that his beliefs, feelings and behaviour are no longer appropriate or relevant to the current situation in the organisation. Once convinced, people may change their behaviour. Reward for those willing to change and punishment for others may help in this matter. (2) Changing: Once convinced and ready to change, an individual, under this phase, learns to behave in new ways. He is first provided with the model in which he is to identify himself. Gradually he will accept that model and behave in the manner suggested by the model. In another process (known as internalisation), the individual is placed in a situation where new behaviour is demanded of him if he is to operate successfully. (3) Refreezing: During this phase, a person has to practice and experiment with the new method of behaviour and see that it effectively blends with his other behavioural attitudes. Reinforcement, for creating a permanent set in the individual, is provided through either continuous or intermittent schedules.  ***Unfreezing*** old learning requires people who want to learn new ways to think and act.  ***Moving/changing***  to new learning requires training, demonstration, and empowerment.  ***Refreezing*** the learned behaviour occurs through applying reinforcement and feedback.  **Force field analysis** (Lewin, 1951) is diagnostic technique that has been applied to ways of looking at the variables involved in determining whether organisational change will occur. It is based on the concept of ‘forces’, a term which refers to the perceptions of people in the organisation about a particular factor and its influence.  **Driving forces** are those forces affecting a situation and which are attempting to push it in a particular direction. These forces tend to initiate change or keep it going.  **Restraining forces** are forces acting to restrain or decrease the driving forces.  A state of **equilibrium** is reached when the sum of the driving forces equals the sum of the restraining forces  Lewin formulated three fundamental assertions about force field change:   * Increasing the driving forces results in an increase in the resisting forces; the current equilibrium does not change but is maintained under increased tension * Reducing resisting forces is preferable because it allows movement towards the desired state, without increasing tension * Group norms are an important force in resisting and shaping organisational change   **Use**Once change priorities have been agreed, a force field analysis can be used to identify actions that would enhance their successful implementation.  **Evidence** Lewin’s work is widely cited throughout change management literature. Empirical research supports Lewin’s assertions that working to reduce the resisting forces is more effective than efforts to increase the driving ones (Zand, 1995).  **Commentary** For the force field model to be of use, the forces need to be identified perceptively, rigorously and objectively, and the means identified of addressing the resisting forces need to be creative.  Many practising managers will be able to reflect on occasions in their own experience when they have aimed to increase the driving forces, rather than reduce the resisting ones, and have increased the resistance and the tension as a result. |
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| * **Kotter's Model for Change** * **Establish a sense of urgency**  There are several techniques by which it is possible to establish a sense of urgency early on in the project lifecycle, helping to overcome most sources of complacency. * **Create the guiding coalition**  Put together a team of people with ample power to lead the change. Get the group to work together as a team. * **Develop a vision and strategy**  Create a clear and concise vision that will help direct the change effort, and develop strategies for achieving that vision. * **Communicate the change vision**  Use every vehicle possible to constantly communicate the new vision and strategies. Ensure that the guiding coalition role model the behaviour expected of employees. * **Empower broad-based action** Get rid of any obstacles which threaten the project. Remove systems or structures that undermine the change vision and encourage risk taking in non-traditional ideas and activities. * **Generate short term wins** Plan for visible improvements which can be implemented during the course of the project, deliver these 'wins' and publicly recognise / reward those who made them possible. * **Consolidate gains and produce more change**  Use credibility gained from early 'wins' to bring other structures & processes into alignment with the change vision. Get the people who can and will implement these new changes, and re-invigorate the process with new projects and themes. * **Anchor new approaches in the corporate culture**  Create better performance through customer and productivity oriented behavior, better leadership and more effective management. Articulate the links between the new behavior and organizational success. Develop ways to ensure further leadership development and succession. |

**Lewin´s 3 step model of change**

**Kurt Lewin** developed a change model involving three steps: unfreezing, changing and refreezing. For Lewin, the process of change entails creating the perception that a change is needed, then moving toward the new, desired level of behavior and, finally, solidifying that new behavior as the norm.

The goal during the **unfreezing** stage is to create an awareness of how the status quo, or current level of acceptability, is hindering the organization in some way. The idea is that the more we know about a change and the more we feel that it is necessary and urgent, the more motivated we are to accept the change.

Once people are unfrozen they can begin to move into the implementation phase, also called the **changing** stage. During the changing stage, people begin to learn the new behaviors, processes and ways of thinking. The more prepared they are for this step, the easier it is to complete.

Lewin called the final stage of his change model freezing, but many refer to it as **refreezing** to symbolize the act of reinforcing, stabilizing and solidifying the new state after the change. The changes made to organizational processes, goals, structures, offerings or people are accepted and refrozen as the new norm or status quo.

**Advantages**

One of the key advantages of a force field analysis is that it provides a visual summary of all the various factors supporting and opposing a particular idea, with all the data that has been collected regarding a potential decision consolidated into a single graph. In addition, force field analysis also expands the evaluation beyond the data itself to look at qualitative factors that may have an impact on the success or failure of the decision being analyzed.

**Disadvantages**

Lewin´s model is very rational, goal and plan oriented. The change looks good on paper, as it makes rational sense, but when implemented the lack of considering human feelings and experiences can have negative consequences. There may be occations when employees get so excited about the new change, that they bypass the feelings, attitudes, past input or experience of other employees. Consequently, they find themselves facing either resistance or little enthusiasm.

Force field analysis requires the full participation of everyone involved to provide the accurate information required for an effective analysis. This can be a disadvantage when full participation isn't possible, resulting in an analysis that doesn't provide a realistic picture of the supporting and opposing forces. Another disadvantage is the possibility that the analysis won't result in a consensus among the group. In fact, a force field analysis may actually cause a division in the group between those who support the decision and those who oppose it.

**Effectiveness**

One of the key things to keep in mind when using force field analysis is that the analysis developed is entirely dependent upon the skill level and knowledge of the group working on the analysis. In most cases, force field analysis is based on assumptions, not facts; even if the assumptions are based on accumulated data, the interpretation of the data shouldn't be construed as being objective within the overall process of evaluating the driving and restraining forces.

### ****Kotter´s 8 step model of change****

Kotter´s model causes change to become a campaign. Employees buy into the change after leaders **convince them of the urgent need** for change to occur. There are 8 steps are involved in this model:

**Establishing a sense of urgency**, which serves as a motivator during times of change, is essential to inspire the necessary teamwork, ideas, and eagerness to make sacrifices related to the change.

Once individuals feel that the change is necessary, their energy needs to be directed and guided so that the change process can begin. To do this, a manager will **create the guiding coalition** by selecting and recruiting a team of individuals who will be capable of carrying out the change.

Next, a manager will need to **create a change vision** to provide employees with a clear understanding of what the change is all about.

Once created, a manager must **communicate the vision** so that all employees are able to see how the vision for change will affect and benefit them as an individual.

A manager will then empower **broad-based action** by removing obstacles that block the change vision or disempower individuals with unrealistic and unattainable goals.

Throughout the change process, planning for and **generating short-term wins** is needed to maintain enthusiasm and momentum to keep the change initiative going. Because change takes time, Kotter believed that it was important to **consolidate gains to produce more change** by focusing on the role of early success as an enabler of future success.

Finally, in order to achieve true transformational change, the manager and organization must **anchor changes within the organizational culture** by monitoring the acceptance of change and how well the organizational culture is adapting to the change.

**Advantages**

* The process is an easy step-by-step model.
* Clear steps which can give a guidance for the process
* The focus is on**preparing and accepting change**, not the actual change.
* Transition is easier with this model.
* Focus on buy-in of employees as focus for success
* Fits well into the culture of classical hierarchies

**Disadvantages**

* Steps can’t be skipped.
* The process takes a great deal of time.
* The model is clearly top-down, it gives no room for co-creation or other forms of true participation.
* Can lead to frustrations among employees if the stages of grief and individual needs are not taken into consideration.

