



Chapter 4

Managing resistance and organisational culture

Learning objectives

- Define resistance and discuss the impact on the change process in organisations
- Describe factors which can lead to resistance to change
- Summarise the ways in which resistance can be managed
- Explain the difference between overt and covert resistance
- Discuss the ways in which resistance can have positive or negative impacts on the change process

Activities

Review questions

(See text p. 131)

1 Describe some of the factors that lead to 'resistance'.

A change in the status quo, which leads to fear and anxiety about the consequences of change, is one of the primary sources of change. The consequences for the individual or group may be real or perceived. Some change may challenge the way people see the world, their views or opinions on how things should be done and how they rationalise things.

The fear of change may be based on misunderstanding of the change itself or the mistrust of those leading the change.

A primary source of resistance is the loss of control, both in the planned changed activities and the change process. Much of the focus of change management is on managing the perceived loss of control. When change is self-initiated people feel in control, hence the strategy for getting participants in change to 'own' projects.

An unwillingness to adjust to new situations may be a result of 'dogmatism' or the lack of intellectual capability, that is, participants simply do not understand the reasoning behind the change. In Table 4.1 (p. 101), this is identified as cognitive rigidity.

Some participants do not respond well to the stress created by the ambiguity of a changing environment. This lack of psychological resilience can be manifested in many ways including opting out of the process through illness or resignation, or

persistence that the past practices were satisfactory because accepting that they were not the best may lead to loss of face. This is especially important for those cultures where loss of face plays an important part in maintaining one's confidence.

A further source may be simply that although people support the change that is proposed, they simply do not want to have to work harder or smarter during the change process or they prefer not to have their habitual ways of working interrupted. A good example of the interruption of habits is when a car parking allocation plan is changed or when new participants join a regular meeting and take a colleague's usual seat. People who pose the least resistance to change are often those who seek out or initiate change; conversely those who have less appetite for ambiguity will choose positions which pose the least risk of change.

Students should also be referred to Table 4.2 (p. 102), where similar sources of resistance are identified.

2 Summarise the variety of ways in which resistance can be managed.

There are three major strategies which should be employed with all change activities when managing resistance to change. They include providing empathy and support, which means getting a good understanding of the implications, perceived or real, of the change on particular participants or groups. This requires a willingness to suspend judgement and the ability to offer objective support. Transparency and honesty in the relationship will enable a level of trust to be established which may assist in defusing the resistance to change.

Providing support also includes ensuring that participants have the technical skill and/or knowledge which they will need to function in the changed environment. This may mean attending course designed to give them that knowledge and practice at the skills needed for the changed environment.

The second key strategy is to provide clear channels of communication and use appropriate types of media. Participants in change are more likely to co-operate when they are fully informed of not only the detail of the change and the process, but also the implications, including the implications during the change process itself. One way of doing this effectively is to use a medium which is different to the usual channels of communication. The pan email is a good tool as all participants can receive the same communication at the same time. However, change managers need to be cognisant of the unique responses individuals can make. Therefore, face-to-face follow-up or pre-scheduled meetings are important to dispel any confusion or clarifications which may arise.

Getting those affected by the change involved and participating in the process through providing ideas and solutions and identifying barriers or obstacles is one of the more successful strategies of the change agent. The idea of 'belonging' to the project group, influencing control of the process and having some ownership and

accountability of the outcome will all support the change process. Through ownership of the process, participants will start to see a clear path from the current state to the new state and the role(s) that they might play in the changed state.

Students should also be directed to Table 4.4 (p. 110).

Additional activity

Divide students into groups of three to five, and ask them to identify three ways in which change has been managed from their experience. From that they can identify why the change was successful or not.

3 Explain the differences between 'overt' and 'covert' resistance.

Not all resistance to the change process will be transparent, with the OD practitioner needing to establish strategies which give feedback about resistance. Overt resistance is resistance in which participants verbalise or demonstrate clearly in some other way that they are not supporting the planned change. Overt resistance is usually easier to manage, although change managers need to ensure that the real obstacle is being managed and not something hidden. Covert resistance may be just that or it may be an obstacle that is being placed in the pathway to change specifically out of site of the change manager. Overt resistance may include union resistance, which is quite open and transparent in the demands made on behalf of employees. Covert resistance could include sabotage of the process by not putting new systems in place or not using new skills learnt specifically so that the change can happen. Covert resistance can be quite destructive to the change process, especially if it is not recognised in a timely manner and it thwarts the timetable for change to happen.

Additional activity

Students are divided into groups of three to five and asked to identify and discuss one example of overt and one example of covert resistance which they have experienced. This is a guided group discussion opportunity.

4 Discuss the ways in which resistance can have positive or negative impacts on the change management process

Resistance may hinder or help change. There are aspects of change, which if managed transparently and with trust, can help the change process immensely. Positive resistance, for example, can be managed to optimise the strengths of the participants group, to find solutions to the obstacle which are placed in the way of change, or to facilitate finding the right pathway to the end state. Through the management of positive resistance the end state may even be redefined.

Negative resistance can be destructive, and in some cases, may destroy the change project or, in the worst case, stop the organisation from surviving. Negative resistance reinforces the impact of the obstacles in the pathway of change. That may

include the creation of obstacles not previously evident in the organisation. The key impact will be on the timeline for the change process and the use of capital resources.

Additional activity

Divide students into groups of three to five, and ask them to provide examples from their workplace illustrating where resistance has been positive on the change process. They should report back identifying the characteristic of the resistance which made it positive and the long term impact on the change process.

5 What negative consequences could occur if the change management process ignores cultural differences?

Most OD practitioners will propose a context-based approach to change management. They must take into account two key factors when designing a change program. The first is alignment between the cultural values of the host country and traditional OD practice. The second consideration is the host country's level of economic development.

Good examples of possible poor fit are the concepts of dialogue and honesty. In traditional organisational development strategies, dialogue proposes that change can be managed with most obstacles overcome though all the participants entering into open and transparent dialogue. In some cultures, the concept of being open and transparent is in sharp contrast with the cultural value of discretion and non-disclosure. A second example is the concept of honesty, which means different things in different countries and depends on the prevailing cultural norm. The current popular term is 'lost in translation', after a recent film.

6 What does 'cultural context' mean? Give three examples.

Cultural context means the environment in which the organisation's activity is being undertaken; in this case the managed change process. Beliefs, values, customs and even artefacts play an important role in the culture of an organisation. Some of these beliefs are ethnically rooted and in other cases they have developed because of the historical leadership style within the organisation. Cultural practices play a major role in establishing the customs and practices of an organisation.

Refer to Table 4.6 (p.119) to consider the five key values that influence organisational culture: context orientation, power distance, uncertainty avoidance, achievement orientation and individualism.

One example would be the expectation for migrant Chinese workers to return to their home villages to celebrate Chinese New Year, which may last as long as 27 days. For those of us doing business in Australia or New Zealand, this is a major interruption to our own business cycles and needs to be accommodated as we do more and more business with China.

A second example is how context orientation differs in different countries. In Australia and Scandinavian countries for example, information is transferred from one person to another in words, clear phrases which specifically tell the receiver what is meant. The more detailed the phrase, the higher the level of communication. In Asian countries, particularly China, the way the communication is made is very important. Usually there will be some formality such as the ceremony around the presentation of business cards and the style of card reflecting the cultural authority of the bearer.

Power distance is a further example demonstrated by the difference between the egalitarianism of countries like New Zealand and Scandinavian countries, which contrast with the defined level of authority in Latin American and Eastern European countries. Both are examples of cultural power but used in quite different ways.

Discussion and essay questions

(See text p. 131)

1 Describe ways in which managers can positively and actively manage resistance, and what managers need to understand when undertaking this.

Change managers need to pay attention to the issues which are broader than the change management program itself. Resistance is often related to deep-rooted issues of the individual, especially issues of confidence and security. The change manager needs to establish good alignment between the organisational culture and the objectives of the change program. Refer to Table 4.4, (p. 110).

Active management of resistance includes planning for anticipated resistance and providing additional support for those identified as needing it. That support may be emotional or may involve simply ensuring that participants have the skills they need to participate in the process and do their new jobs as planned. Change managers should also enlist the support of those who support the change, find a champion within the ranks.

A further important step is to address any individual concerns through one-on-one feedback and provide good, timely and relevant communications to all involved. Ensure that people understand the change and that there is a common understanding of the reasons for and the implications of the new state. When people are involved there is more likelihood of ownership of the changed environment.

The change manager can make the process easier by ensuring that all organisational policies and procedures are synchronised with the changed state.

Perhaps the most important tactic the change manager can employ is the establishment of trust and a transparent environment, choosing an approach to the

project which fits with the organisational culture and the type of change being undertaken.

Additional activity

Divide students into groups of three to five and ask them to discuss how entering a change management program in a prepared state can affect a positive outcome.

2 Discuss the overall role of the change manager in managing resistance during the change process, and the critical knowledge they and the human resource department need to apply.

The overall role of the change manager is to see that the change program is effected with as little resistance as possible, but being cognisant that little change will happen without some modification during its course, in response to the demands of the environment.

The critical knowledge which needs to be applied by change managers including the OD practitioner and human resource management practitioners includes understanding the impact of empathy and support, communication, and participation and involvement, and responding constructively to any resistance whether positive or negative.

The critical knowledge they need to apply includes education and communication, participation and involvement in groups, facilitation of support, negotiation and agreement, manipulation and co-option. Implicit and explicit coercion should be avoided at all costs, but never the less the skills in managing change using coercion are practiced and more often suggested by clients.

The HR department needs to prepare for resistance to change in parallel with the change manager. Key points include familiarity with any industrial relations issues which may arise, including the alignment of the changed state with current employment agreements or contracts. The HR manager must have the skills to modify job descriptions and role specifications in line with those required for the end state. While much of this work should be done in preparation for the change program, it is not uncommon for modifications to take place as the change process responds to the obstacles in the environment. The HR department has a responsibility to ensure that over-arching organisational policy and practices will facilitate the change planned.

Additional activity

Divide students into groups of three to five, and ask them to identify the other key areas of an organisation which need to be included in the planning for change and actively involved in managing the change process.

3 Do types of resistance differ between types of organisations? Reflect on the type of resistance that might occur in those organisations that are: board-directed, family-owned, governmental and not-for-profit.

Board-directed organisations may be subject to resistance to change where key directors are likely to have their position compromised in some way. This also includes when the Chairman is not getting the support for change he or she requires. That support may be from other board members or from management, who may have a different agenda for the organisation or may not like the planned change and will put obstacles in the way in the same manner as individuals do. Secondly, board-directed organisations may experience resistance from their shareholders; the risk for the board is that they may lose their positions. Other resistance may come from the legal or social environment the organisation is in. For the former, the board should ensure that they have done all their preparation and are fully informed before entering a change process and have a good public relations strategy in place for the latter.

Family-owned organisations can be more problematic because decisions cannot be made as objectively as in other organisations. Family are the shareholders; they are likely to be involved in the management of the company and the most obstruction can come from the family member who founded the company or created the product. Family disputes arise easily and the traditional use of authority is not appropriate. In some cases the family may group together to avoid change. The change manager needs to guide the family in a manner that is fair to all but does not compromise the ongoing success of the organisation.

Government organisations are sometimes characterised by a lack of business discipline and an attitude which reflects the difficulty in holding people to account in public organisations. Many are highly unionised especially in Westernised countries like Australia and the USA.

Not-for-profit organisations are in an awkward situation as many employees will use the not-for-profit or charitable status as an excuse to change for efficient business reasons. Many are characterised by employee groups who feel that they are committed to a cause and this vocation commitment takes precedence over the survival of the organisation.

Additional activity

Divide students into groups of three to five, and ask them to identify and analyse two of the above types of organisations, identifying the likely sources of resistance in each, why it is the source of resistance, and key strategies for managing it during the change process.

4 Which of Kotter and Schlesinger's six competencies can be classified as either 'soft' or 'hard'? Discuss which would be effective in the short term but not for long-term organisational acceptance of the change. List what other competencies are required to create ownership and commitment to make the change last.

Soft competencies:

- Participation and involvement of individuals and groups. This is a soft competency and, on occasion, even the best practitioner will need every skill in their repertoire to get involvement of some of those affected by the change. Acceptance will be good for long-term inculcation of the changed state.
- Facilitation of support demonstrates to the participants that the change manager has empathy and understands the situation. This may not lead to the long-term success of the change project, but will allow the change agent to progress the project step-by-step.
- Negotiation and agreement are competencies used when responding to those situations where the plan needs to be changed or when obstacles, which were thought to be moveable, are not.

Hard competencies:

- If education and communication is successful in changing the behaviour of the participants, it should support long-term change in the organisation.
- Manipulation and co-option, which have negative connotations, should be avoided if possible. Changed states are not sustainable when people feel they have been manipulated in to a particular position.
- Explicit and implicit coercion should be avoided at all costs. Participants do not forgive organisations which abuse their confidence. This will not sustain change and should only be used where there is the potential of physical risk to the employees.

Other competencies which would help in making change last are empathy, credibility and the overarching skill in leading change. Refer to the text (p. 114) for more details.

5 Compare and contrast the various cultural values. Give examples as evidence of your understanding.

The cultural values identified by Cummings and Worley are: context, power distance, uncertainty avoidance, achievement orientation and individualism. Understanding, and therefore responses, should differ from student to student depending on their cultural background (even if they are all Australians or from the same country). Refer to Table 4.6 (p. 119).

Additional activity

Ask the students to identify their root ethnicity and culture and to describe how they would respond in particular situations.

Applications—Critical thinking questions

These questions are ideal for organising students into groups of three to five to debate the issues. You could extend the debate by being flexible and responsive to their comments. There are no right or wrong answers for these questions as they are intended to challenge students to think about how theory might be applied to actual organisations and situations.

4.1 Revamp a sign of ‘adaptive army’

- 1 What type of resistance do you think an OD practitioner would face in a traditional command and control organisation like the Australian Army? How do you think resistance might be overcome in this environment?**

The over-riding characteristic of an army is the authoritarian style of ensuring that change happens. Officers and soldiers are most likely to co-operate with changing their environment if they can see their senior officers supporting and participating in the change. However, if the senior staff sense that they are losing control of their environment then resistance could be strong.

The OD practitioner is likely to strike resistance to any solution which involves soft strategies such as showing empathy and support or evening talking through situations. Traditional authoritarian organisational structures respond well to formal training and practice and ‘giving orders’ - directions to be carried out without enquiry and according to a given plan.

4.2 Google gets creative in the search for a positive image

- 1 Imagine you work at Google as an engineer. How would you respond to Google’s attempt to ‘get more creative’ by establishing the Creative Lab? What type of OD interventions do you think would assist Google engineers to accept the change?**

Google would be best to assume that all employees are creative and would want to be included in any ‘Creative Lab’. By the very nature of the work, software engineers are solutions oriented and many are in the younger age group whose experience is within less structured organisations and more organic organisational structures. OD interventions should focus on inclusion, participation and giving people the training and skills to maximise their participation in the change. These employees are usually creative and they respect the freedom to create.

4.3 All together now

1 How are team building activities, whether positive or negative, impacting on members in your organisation?

These answers are likely to be quite organisation specific, however students should include whether their workforce is disengaged from the work they are doing. Team building offers ways for teams to work together through the recognition of the strengths of individual members and by ensuring everyone in the team understands those strengths.

Team building can create embarrassing situations so it is important to ensure that the exercises are pertinent to the team. One example was an MBA class who were doing an Army-type activities course. Several of the women in the group were former athletes (to Commonwealth Games level) and they found the elevated beam work relatively easy. Many of the men, who were older, did not have that agility. Some of the men were clearly embarrassed at being upstaged by the women. However, they did get a new respect for the women's talents. The style of team building event chosen should be appropriate to the challenges at hand.

Students should also identify that the lack of ability to do tasks can be easily rectified in many cases. A little skill training prior to the team building exercise puts participants on a much more even playing field so the element of competition is removed from the exercise and the team's needs can dominate.

The students should also show awareness that team building may not necessarily be the solution; problem identification and the change being contemplated need careful scrutiny.

4.4 Big on vision

1 BHP Billiton has maintained its position under fierce competition and the global economic downturn. What are some of the factors that impacted on the organisation's development and where do you suggest it goes from here?

BHP Billiton has employed a hugely successful strategy which focuses on investment in the mining of a chosen suite of minerals and energy commodities. The company only considers world class assets and maintains a diversified spread. The decision to activate an investment is based solely on the global demand requirement; if there is no demand then any asset involved will be mothballed until demand increases. BHP Billiton takes a long term view of all investments. The company is characterised by leadership from the boardroom down. The current CEO was an internal appointment, which confirmed that the board was happy with the current strategy of the company.

Students should be able to give suggestions for the future of the company which include being wary of complacency and the use of alternative strategies when at first they don't succeed with a change program.

Additional suggested readings

- Buchanan, D, Claydon, T & Doyle, M 1999, 'Organisation development and change: The legacy of the nineties', *Human Resource Management Journal*, 9.2, pp. 20–37.
- Decker, D, Wheeler, GE, Johnson, J & Parsons, RJ 2001, 'Effect of organisational change on the individual employee', *The Health Care Manager*, 19.4, pp. 1–12.
(This article has a survey that may be of use and adaptable in the future for you.)
- Harrison, D 1999, 'Assess and remove barriers to change', *HR Focus*, 76.7, pp. 9–10.
- Paul, J 1996, 'Between-method triangulation in organisational diagnosis', *International Journal of Organisational Analysis*, 4.2, pp. 135–53.
- Strebel, P 1994, 'Choosing the right change path', *California Management Review*, 36.2.
- Wood Parker, T 1997, 'Assessing the change-readiness of your organisation', *Bank Marketing*, 29.4, pp. 28–9.