



Change Management

Business Management 12

Who Moved my Cheese!

[Link to video](#)





Forces For Change

- Change is an organizational reality
 - Produces uncertainty yet is not completely unpredictable
 - Internal and external forces that bring about the need for change
- Managing change is an integral part of every manager's job

Forces For Change

○ External Forces

- Marketplace
- Governmental laws and regulations
- Technology
- Labour markets
- Economic changes

○ Internal Forces

- Changes in organizational strategy
- Workforce changes
- New equipment
- Employee attitudes



What Is Organizational Change?

- Organizational Change

- Alteration of people, structure or technology

- Change Agents

- Act as catalysts and assume responsibility for the change process and can be:
 - Managers: internal entrepreneurs
 - Nonmanagers: change specialists
 - Outside consultants: change implementation experts



Types of Change

○ Structural

- Altering the structural elements or design

○ Technological

- Introducing new equipment, tools, or methods
- Automating certain tasks
- Computerization

○ People

- Changing attitudes, expectations, perceptions, and behaviours of the workforce



The Importance of the Buy In

- For an individual or organization to achieve change effectively, it is important that individuals in the organization that will need to make modifications to their behavior exhibit buy in.
- **Buy in** means that the organization as a whole understands that the changes that need to be made are ultimately beneficial to both the individual and the organization.



The Importance of the Buy In

- If an organization tries to make changes which are inherently bad or are not received positively by an organization, it will be much more difficult or close to impossible to implement these changes without significant resistance.
- You can enhance buy in by first explaining the changes you would like to make, citing issues with current procedures and then communicating the benefits for both the individual and organization.



Making Change Happen Successfully

- Focus on making the organization ready for change
- Explain why change is necessary
- Encourage employee participation
- Remove those who resist and cannot be changed
- Encourage employees to be change agents



Mistakes Managers Make

- Not creating or communicating a vision
- Not empowering others to act on the vision
- Quitting before the change is complete
- Not making the change a part of the organizational culture



Helping Employees Accept Change

- Give Reasons, explain benefits
- Be Empathetic
- Communicate clearly
- Get input from employees
- Show management's support
- Help employees deal with the stress from the change

Managing Resistance to Change

○ Why People Resist Change

- The ambiguity and uncertainty that change introduces
- The comfort of old habits
- A concern over personal loss of status, money, authority, friendships, and personal convenience
- The perception that change is not in the organization's best interest

Issues in Managing Change

- Changing Organizational Cultures
 - Cultures are naturally resistant to change
 - Conditions that help cultural change:
 - Dramatic crisis
 - Change of leadership
 - An organization that is young, small, and flexible
 - Weak organizational culture