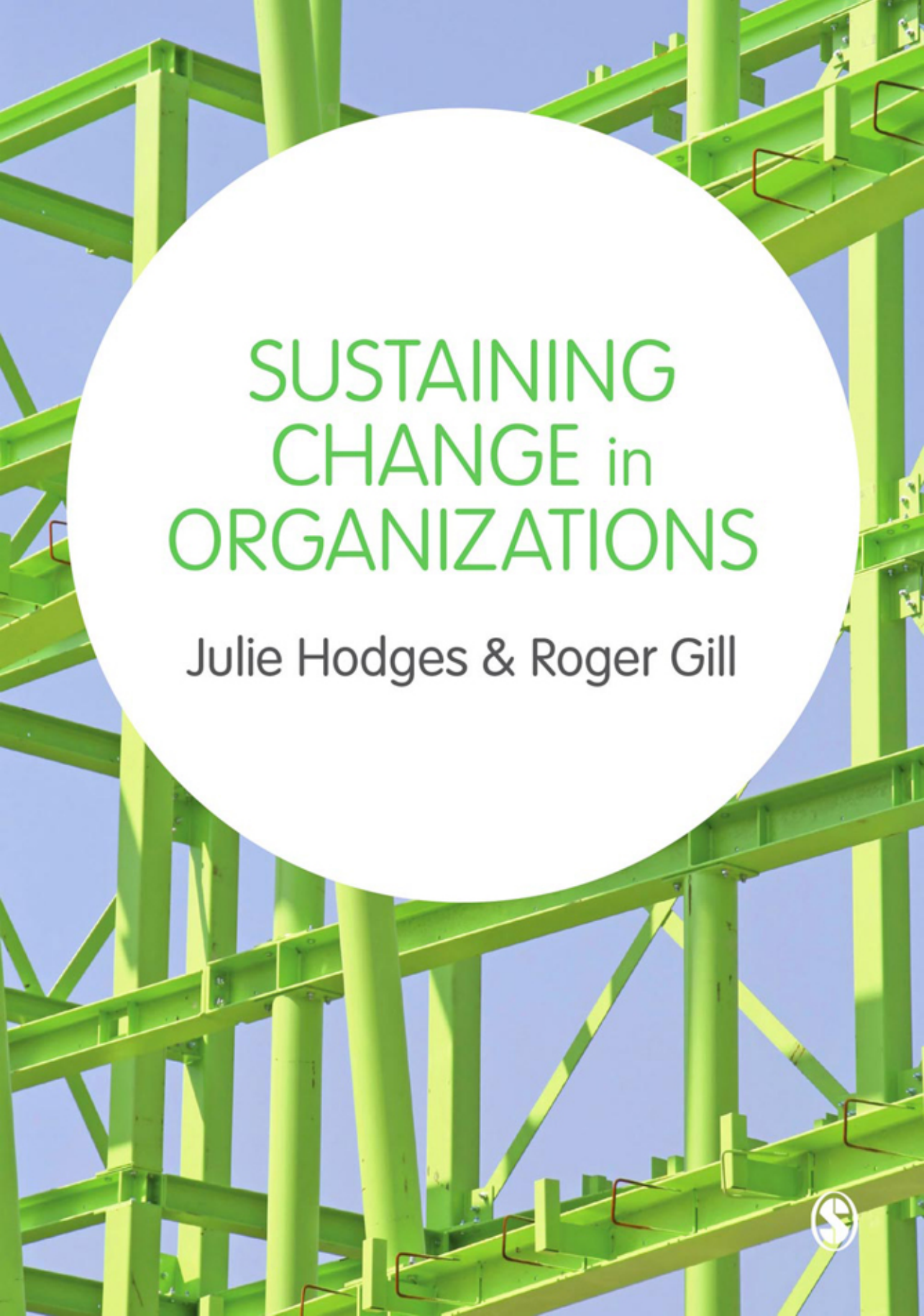
SUSTAINING
CHANGE in
ORGANIZATIONS
Julie Hodges & Roger Gill

SUSTAINING CHANGE in ORGANIZATIONS

'Julie Hodges and Roger Gill have presented a comprehensive summary of the landscape of organizational change. *Sustaining Change in Organizations* capably brings together a range of perspectives and concepts of change, using these as a foundation for bringing the subject right up to date with contemporary ideas and examples. While the book will win fans from business academia (it is very well referenced and has signposts to further reading in each chapter), its accessible style with plenty of bite-sized cases, together with regular summaries, will no doubt see it gracing the desks of those of us tasked with delivering change for a living.'

Dr Simon Haslam, Visiting Fellow at Durham University Business School and head of the Institute of Directors' strategy faculty.

SUSTAINING CHANGE in ORGANIZATIONS

Julie Hodges & Roger Gill

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London EC1Y 1SP

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2455 Teller Road
Thousand Oaks, California 91320

SAGE Publications India Pvt Ltd
B 1/I 1 Mohan Cooperative Industrial Area
Mathura Road
New Delhi 110 044

SAGE Publications Asia-Pacific Pte Ltd
3 Church Street
#10-04 Samsung Hub
Singapore 049483

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First published 2015

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Editor: Kirsty Smy
Assistant editor: Nina Smith
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Copyeditor: Elaine Leek
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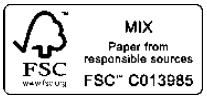
Indexer: David Rudeforth
Marketing manager: Alison Borg
Cover design: Francis Kenney
Typeset by: C&M Digitals (P) Ltd, Chennai, India
Printed in Great Britain by Henry Ling Limited at
The Dorset Press, Dorchester, DT1 1HD



Library of Congress Control Number: 2014940079

British Library Cataloguing in Publication data

A catalogue record for this book is available from
the British Library

ISBN 978-1-4462-0778-9
ISBN 978-1-4462-0779-6 (pbk)

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Acknowledgements

Julie is especially grateful to the many colleagues and friends who took the time to contribute to this book – the case studies they provided are invaluable. She is also indebted to the students from across the globe who have applied much of the material in this book during classes and workshops which Julie has taught (and also in their organizations) and have provided feedback on the many tools and frameworks for sustaining change.

Julie would especially like to thank Mick for his support and enduring love and patience while she wrote this book – keeping her supplied with cups of tea. Elliot for his amazing strength, resilience and empathy. And her parents for their love and support always.

Finally, she would like to thank the team at Sage publishers, especially Kirsty who provided the opportunity to make this book happen. Thanks for all your patience and guidance.

Roger would like to acknowledge the loving forbearance and support of his wife, Pat, during the writing of this book, especially the times when he disappeared into his 'shed' for hours on end.

We would both like to thank for permission to use copyright material, John Smythe of consultancy Engage for Change (http://www.engageforchange.com/make_contact.html) and the FT.com (*Financial Times*).

Guided tour

Overview

- Summarises the main issues and topics that will be covered in each chapter.

Learning objectives

- Will focus your learning on the key points to understand and remember.

Activity

Activities ask you to reflect on your own experiences or explore an idea further.

CASE STUDY

Organisational case studies will help you to relate theory to real-world practice.

Discussion Questions

1 Encourage class discussion and debate around key issues.

Further reading

Lists of useful and important readings which will enhance your understanding of the chapter.

Glossary terms are **bolded** in the text and defined in the end-of-book Glossary, allowing you to quickly reference new terms.

Companion website

Sustaining Change in Organizations by Julie Hodges and Roger Gill is supported by a companion website.

Visit https://study.sagepub.com/hodgesgill to access the following resources:

For lecturers

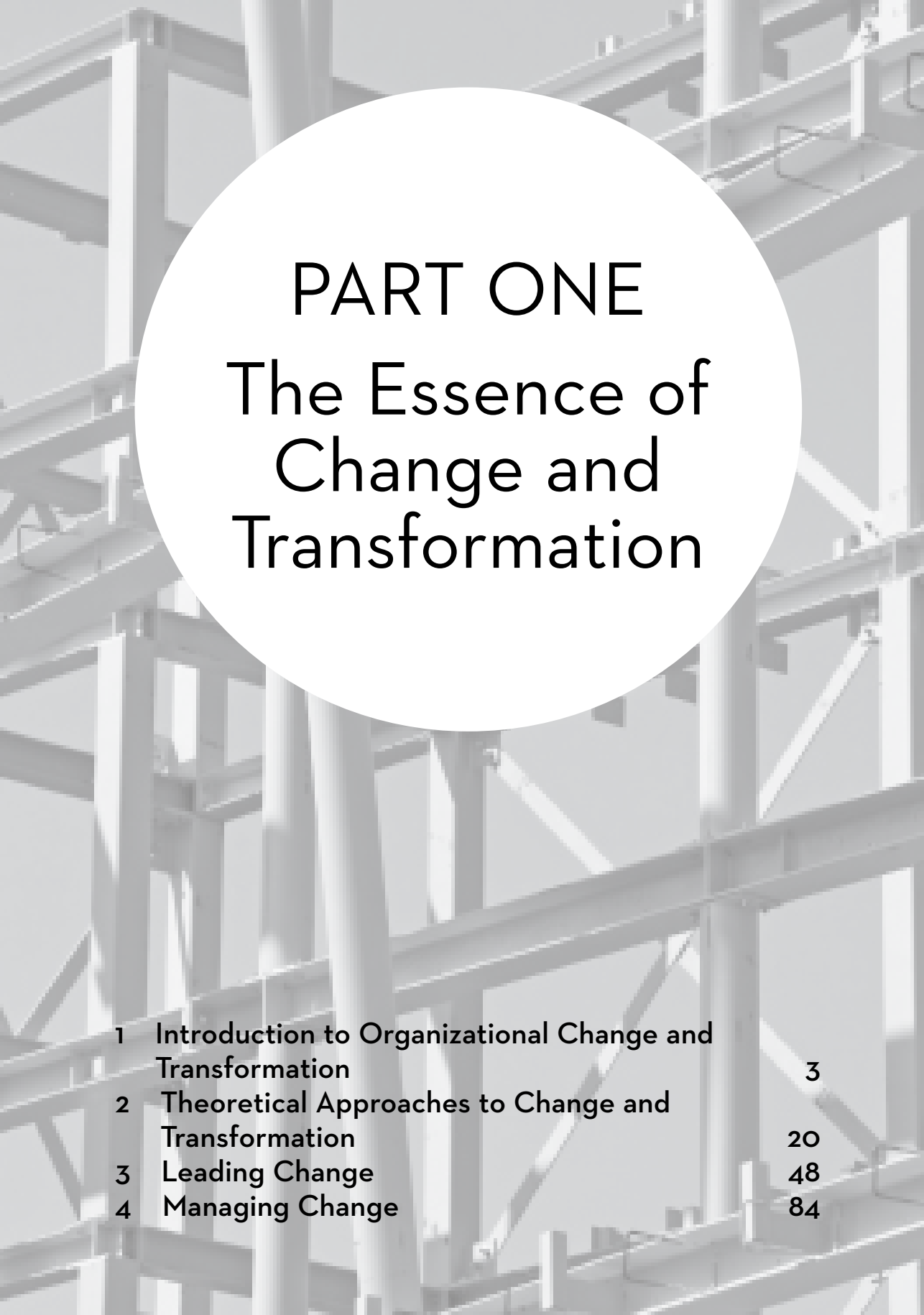
Instructors' manual: including, for each chapter, learning outcomes, a brief overview of the chapter, additional exercises and activities, discussion questions, exam/assignment questions, suggested teaching tips, online resources including video clips, and additional case studies with questions.

PowerPoint slides: containing the key points, and tables and figures from each chapter.

For students

Annotated web links: additional links to tools, resources and further reading.

SAGE Online Journals: free access to relevant SAGE articles, for a deeper understanding.



PART ONE
The Essence of Change and Transformation

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2 Theoretical Approaches to Change and Transformation 20
3 Leading Change 48
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1 Introduction to Organizational Change and Transformation

Overview

- One of the main tasks of managers and business leaders across the globe today is to implement and sustain change effectively. This book will provide guidance to help business leaders, managers and students achieve this crucial task, through theoretical and practical perspectives. In the book we synthesize what is known about change in organizations and then provide practical ways of sustaining it, using perspectives from managers and leaders based on their experience.
- In this introductory chapter we briefly review the literature on organizational change. The literature varies in format and tone, encompassing descriptive accounts of change, theoretical models for analysing change, prescriptive models that aim to guide the change process, typologies of different approaches to change in organizations and empirical studies of the success or failure of various initiatives, programmes and tools. The literature can be broadly divided into populist and academic categories.
- Three concepts appear frequently in the literature and in discussions of organizational change. They are (i) change, (ii) transition and (iii) transformation. We define each of these in this chapter.
- This chapter also provides an overview of the aim and structure of the book.
- The range of approaches to change, and the confusion over their strengths, weaknesses and suitability, is such that the field of organizational change has been described as more an overgrown weed patch than a well-tended garden (Burnes, 2003: xii). This chapter outlines how this book brings together old and new material and perspectives, and how it goes further than other books in that it covers a breadth of issues pertinent to sustaining change in organizations.

A changing world

We are living in an age of accelerating change and turbulence. The magnitude, speed, unpredictability and impact of change are greater than ever before. Even the concept of change itself has changed. According to the Centre for Creative Leadership in the USA (CCL, 2012), change today is less a sudden and dramatic disruptive event and more a fluid and constant continuous process. Hammer and Champy (1993: 23) support this, in saying that 'change has become both pervasive and persistent. It is normality'. However, despite the fact that change is constant, it seems that **organizations** are, in some cases, not getting any better at leading and managing it successfully. There is a widely held view that attempts to implement organizational change are predominantly unsuccessful (for example, Beer, 2000; Elrod and Tippett, 2002; Kotter, 1995; Pettigrew et al., 2001). As a result of this, the Number One critical issue for organizations today is, according to research by the Institute for Corporate Productivity in Seattle (2013), managing and sustaining change.

As Senior (2002) points out, no leader or manager needs convincing that improvement and change are at the top of the agenda and that the required experience and skills to do so are a necessity in order to survive in a highly competitive and continuously evolving and turbulent environment. Julie Meyer, the technology entrepreneur, puts her finger on the pulse of how the world is transforming. In her book, *Welcome to Entrepreneur Country*, Meyer (2012) compares the world's transition in the 1930s and 1940s from a largely agricultural to an industrial economy with today's shift, as the whole world moves to a networked, digital marketplace. Her contention is that in this new world, industries are being driven not by companies, monopolies and regulators but by competing ecosystems. Those who embrace this change, says Meyer, will emerge as winners. Her views are echoed by Howieson and Hodges (2014) in their book about **leadership** and change in the public and third sectors in the UK. The authors say leaders in both sectors need to recognize the **drivers** for change and develop the capability to cope with them.

Many of these drivers for change are coming from the external environment. As Fiona Graetz acknowledges:

> against a backdrop of increasing globalization, deregulation, the rapid pace of technological innovation, a growing knowledge workforce, and shifting social and demographic trends, few would dispute that the primary task for management today is the leadership of organizational change. (2000: 550)

As Graetz points out, there are forces at work that are fundamentally changing the environment and shifting much of what we take for granted about employees, work and organizations. These forces include, but are not limited to: increasing globalization; shifts in the global economy; the continuing changes in the climate; profound changes in longevity and demography; rapid advances in technology; increasing competition; and the expansion of the knowledge economy (see Chapter 5 for a discussion on each of these drivers). The combination of these five forces is fundamentally changing organizations and how we work in them.

Many of the ways of working which we have taken for granted are disappearing, such as working from '9 to 5', working with only one company in one's lifetime,

taking weekends off, and working with people we have known for years in the offices we go to every day. Changes are also happening in the way organizations operate. The idea that hierarchy is the best way to manage information flows is disappearing in many companies, as are the notions that most people will work with team members in the same office and that the majority of talent will be held within the boundaries of the organization. Despite these and other changes, organizations still seem to be struggling to sustain change.

It may seem paradoxical that, on the one hand, the failure rate of change initiatives appears to be immense while, on the other hand, there is now more advice on how to lead and manage change than ever before. In opposition to this, there is a growing body of research which questions whether it is possible to meaningfully 'manage' change at all (Hughes, 2006). This school of thought questions the ability to manage and control change on the basis of the inherent complexity of organizations and the self-organizing properties of systems (Shaw, 2002; Stacey, 2001). Change is seen not as an entity to be conquered, outwitted or prevented, but as an ongoing process that is never completed (Bruhn, 2004). What is evident, as Luecke (2003) points out, is that a state of continuous change has become a constant, with change an ever-present feature of organizational life, at both an operational and a strategic level, which individuals within organizations need to cope with.

The pace of change that affects organizations today may or may not be unprecedented but it is certainly spectacular, and likely to accelerate in the future. But like most things in business, rapid change is a two-edged sword – a threat but also an opportunity. Change puts a premium on adapting; the faster the pace of change, the greater the premium. Take away change and there is no need to adapt; if it worked yesterday, there is every reason to believe it will work today. Alas, that is not remotely what organizations are now facing. Today's business conditions give new meaning to the words of the Greek philosopher Heraclitus: 'All is flux, nothing stays still – there is nothing permanent except change.'

Organizations that adapt to rapid change better than their competitors make great strides, while those that ignore rapidly changing circumstances might go the way of the dinosaur. Sixty million years ago, dinosaurs suddenly disappeared after more than 100 million years on the planet. Palaeontologists hotly debate the cause of the dinosaurs' extinction, but high on the list of hypotheses is their failure to adapt to rapidly changing climatic conditions. There is a long trail of companies who have gone the way of the dinosaurs: not adapting to change, they have either declined swiftly or agonizingly slowly over a long period of time.

An organization's ability to change is essential for its survival in a changing market environment. Companies such as ABB, AT&T, DaimlerChrysler, France Telecom, Time Warner and Vivendi Universal have all witnessed failure in recent decades. As Probst and Raisch (2005) point out, the lack of change can lead to increasingly outdated product offerings and cost structures significantly above the competitive level. A prime example of a company that failed to adapt is Eastman Kodak. To protect its core film business, the company ignored the trend to digital photography. Kodak's competition therefore profited from the growth market in digital photography. At Xerox, the American giant in the copier business, something similar occurred. Although the crucial products of the digital age had been developed in their own research laboratories, Xerox focused exclusively on the core copier business. The

copier market is nevertheless decreasing constantly, and Xerox has lost market share to cheaper producers.

The challenge for leaders and managers is to understand, lead and manage change so that it is shaped and sustained in a way that benefits the organization and its **stakeholders**. How to sustain change is not, however, a new issue. As far back as the 1940s, Kurt Lewin (1947) argued that all too often change is short-lived: after a 'shot in the arm', life returns to the way it was before. Lewin noted that it was not enough to think of change in terms of simply reaching a new state, as this did not guarantee success. More recent evidence supports this argument and suggests that the majority of change projects fail to achieve what Hayes (2014) calls 'stickability' and sustain the change required. Buchanan and colleagues (2005) point out that this is because there appears to be no simple prescription for managing change, in order to achieve benefits. Or perhaps it is because practitioners are often so immersed in the everyday life of organizations, that it is often difficult for them to **recognize the need for change**.

Managers and leaders of organizations need to have an awareness of the need for change, and also the **capability** and **capacity** to be able to sustain change effectively. The aim of this book is to provide guidance to help business leaders, managers and students achieve this, through both theoretical and practical perspectives. We begin by briefly examining the literature on organizational change.

Literature on organizational change

There is a growing library of books and articles on organizational change, which appear, at first glance, to offer hope to anyone who wants to be successful with change initiatives. The literature contains contributions from several different academic disciplines, including psychology, sociology, business and **management**. It consists of evidence, examples and illustrations generated from a wide variety of organizations and from a diverse range of methodologies with varying degrees of rigour. The literature differs in format and tone, encompassing descriptive accounts of change, theoretical models for analysing change, prescriptive models that aim to guide the change process, typologies of different approaches to change in organizations, and empirical studies of the success or failure of various initiatives, programmes and tools. The literature can be broadly divided into populist and academic categories.

The populist view

There is a huge commercial market in popular management books on change, which range from hero-leader reflections and biographies to works by so-called gurus in the subject. Such books tend to be characterized by evangelical-style exhortations about change and accompanied by convincing stories and sound bites. They have been defined as 'karaoke texts', in a reference to their 'I did it my way' approach (Clegg and Palmer, 1996) and range from 'how to lead change step by step' through to quantum-change made easy. Such texts have snappy titles such as 'Onward', 'Real People, Real Change' and 'Our Iceberg is Melting'. Some of them, such as 'Who Says Elephants Can't Dance' by Louis Gerstner, are informative to read and a lot can be learnt from their honest insights into the practicalities of change.

The populist bandwagon tends to be epitomized by the use of parables about change using, in some cases, abstract stories about animals. The most popular of such books, having sold more than 22 million copies in 37 languages, is entitled *Who Moved My Cheese?* (Spencer, 1999) and describes itself as an amazing way to deal with change in work and in life. It is a tale that can be read in about 45 minutes, and which we have briefly summarized below.

> There are two 'little people' (Hem and Haw) and two mice (Sniff and Scurry). All of them live in a maze. For a time, they have an abundance of cheese to eat (whatever they want in life). Then one day, the cheese disappears. The mice instinctively understand that their world has changed and that they need to adapt and look for cheese in a different place. So they do, and they find new cheese.
>
> The humans are more resistant to change. Hem indignantly bellows 'Who moved my cheese?' and refuses to accept reality. Haw too is initially resistant but comes to understand that he has to leave his comfort zone to survive and thrive. *Voilà*! New cheese awaits him.

This book and others like it are open to criticism for attempting to convince managers of simple one-size-fits-all approaches towards managing change. The problem is that in some organizations employees have been burnt out by too much organizational change, which has failed to be sustained. For them, the cheese never stops moving.

Populist books on change provide an often longed-for level of simplicity about how to do change in organizations. In many cases they may be easy to read but do not necessarily deliver results. As Louis Lavelle, a book reviewer for *BusinessWeek* magazine, so aptly wrote:

> To hear most authors of business books tell it, there is no management conundrum so great that it can't be solved by the deft application of seven or eight basic principles. The authors are almost always wrong as big public companies have too many moving parts to conform to any set of simple precepts. (2005: 2)

This is a relevant criticism for populist books on change, which tend to be concerned with offering simple prescriptions and lists of techniques that will lead to successful change. Such books deliver reassuring rationality that change can be managed in several steps. We have all read them – even the authors of this book – and some of us have even learnt from them. However, we caution our readers to view such books from a critical perspective and not to try to implement and sustain change guided by the wisdom of mice and cheese.

The academic view

The academic literature provides some well-grounded and very well written texts on organizational change (such as Burke, 2002; Burnes, 2009a; Carnall, 2007; Cummings and Worley, 2009; Hayes, 2014) as well as critical monographs and research studies (such as Nadler and Tushman, 1995; Ogbonna and Harris, 2002; Pettigrew et al., 2001). However, the paucity of empirical studies and the dominance of US-based

thinking, cases and data still characterize the academic literature. What is available is a wide range of theories and approaches with varying degrees of strengths and weaknesses. As Bernard Burnes points out in the Preface to Patrick Dawson's book *Reshaping Change: A Processual Perspective* (2003b):

> the range of approaches to change, and the confusion over their strengths, weaknesses and suitability, is such that the field of organizational change resembles more an overgrown weed patch than a well-tended garden. (Burnes, 2003: xii)

Many of the academic approaches are well thought-out and grounded in theory and practice, while others are disconnected from the reality of the business world. They tend to posit change as a complex phenomenon and critique the 'programmatic', linear approach to change often espoused in the popular literature (Pettigrew, 2000; Ruigrok et al., 1999; Stace, 1996). For many academics there is no simple prescription for change, no silver bullet and no one way to deliver change. Change is not a one-dimensional process and hardly ever characterized by a linear progression towards a final goal. Although the literature criticizes the simple process models of change as not working, what they propose does work is not always clear.

Case studies provide a useful practical perspective, but even those have come under attack since they tend to be written after the event and result in what Andrew Pettigrew and colleagues (2001) call the 'trajectories of change' (pace, sequence) being presented in a sanitized, relatively smooth, well-planned, orchestrated, cohesive narrative, with all the unsightly mess, cock-ups and boring inertia being airbrushed out.

In his book on organizational change Jim Grieves (2010) identifies two challenges that are emerging in the academic literature. First, an enduring aspect of the work on change over the years has been a strong humanistic orientation (concern for people and increasing human potential). But this strand of humanism has been subordinated in the pursuit of efficiency and profit maximization, in order to enhance organizational performance. Second, organizational change has traditionally been something that has been undertaken by managers and consultants with employees positioned as recipients of change. In effect, managers and consultants have been largely portrayed as having agency – as **change agents** and change leaders – while employees are depicted as relatively agentless (Grieves, 2010). In this regard, the change literature is perhaps guilty of conflating '**change management**' with 'change managers' and overemphasizing actors over acts (By et al., 2011). There has been a call to reframe change management as a micro-situated, everyday, distributed practice, similar to Gronn's (2002) notion of **distributed leadership**, rather than perpetuating the dominant perspective that treats it as a strategic tool deployed by key actors in the corporate hierarchy (By et al., 2011). Such views shift change from a traditional top-down process to a more emergent concept involving employees across the organization (see the discussion of emergent change in Chapter 2).

Mike Young (2009) suggests that attempts to make sense of the plethora of literature on change in organizations has led to typologies that differentiate change rather than identifying common themes – indeed 'common sense' or basic factors – that might be useful in guiding efforts to sustain change. In a review of the change literature, Young focuses on nine areas and, through a meta-analysis, has identified the common themes within them, which are outlined in Figure 1.1.

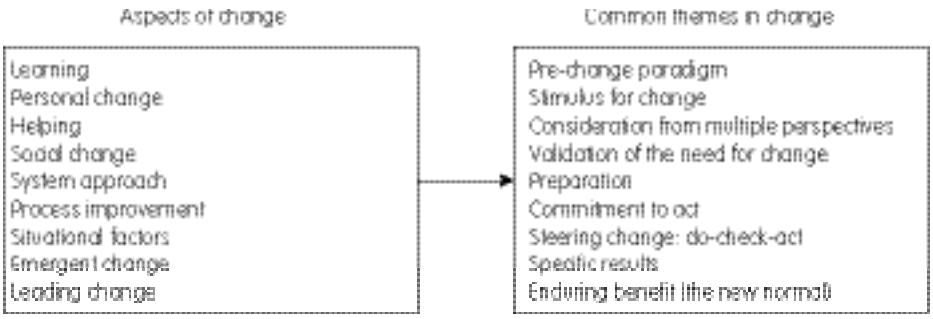

Figure 1.1 Aspects of change and common themes

Young's intention is to draw attention to the kinds of variables that need to be conceptualized, observed or enacted when change is studied or implemented. The meta-model proves a useful guide. The benefit of considering such a broad range of change-related fields is that each brings a different perspective to the stages of the common underlying journey. As a consequence, the meta-model offers both a lens, to provide focus on the stages in the common change progression, and a prism, to reveal the full spectrum of applicable concepts and activities.

Populist versus academic literature?

Leaders and managers face a challenge when attempting to choose between the practical prescriptions of the popular approach and the evidence-based criticisms of change fads and fashions offered by academics. Salaman and Asch (2003) articulate the conundrum:

> The populist material tries to sell them [managers and leaders] packages, beautifully presented, forcefully marketed, clearly stated in persuasive language, which promise radical dramatic transformation … On the other hand, the academic commentators warn against too easy acceptance, noting a number of problems with the advice and recommendations on offer, pointing out inconsistencies, contradictions and simplifications. (2003: 22)

Although it is difficult to identify any consensus on organizational change in the populist and academic literature, there does seem to be, according to Rune Todnem By and colleagues (2011), an agreement on three important issues. First, it is agreed that the pace of change has never been greater than in the current business environment (Balogun and Hope Hailey, 2004; Burnes, 2009a; Carnall, 2007). Second, change is triggered by internal or external factors and comes in all forms, shapes and sizes. Third, there is little doubt that the ability to manage and lead change successfully needs to be a core competence for organizations (Burnes, 2009a). So the pace, drivers and capability to lead and manage change are important factors affecting organizational change, which are recognized in the literature.

Although there is a need to be critical of much that is written about change, we must not lose sight of the very real practical challenge of planning, implementing and sustaining change in organizations. There is a multitude of books on how to lead and

manage change. Many of these make excellent reference guides and provide valuable suggestions. Yet despite the number of books on change, the literature is still lacking. There is much more that we need to know about change and how to sustain it, as the concept itself is changing, within a transforming world. This presents a great opportunity. For the greater our understanding of change in organizations from different perspectives, the more we will know about the essence of how organizations undertake change and how change can be sustained in different contexts.

This book aims to contribute to the literature and address some of the gaps using theory and practice. We cover parts of the change process, which may have been discussed in other books and articles, but have not been pulled together into a coherent whole. We also use case studies and the experiences and reflections of people, from the coalface, who have been responsible for planning, implementing and sustaining change in different types of sectors and business environments across the globe. This book therefore adds to the literature on organizational change from a practical as well as a theoretical perspective.

Definitions of change, transition and transformation

Three concepts appear frequently in discussions of change, including, of course, **change** itself as well as **transition** and **transformation**. In this section we will clarify what these are and how they are defined, in the context of this book.

Change

Change is the introduction or experience of something that is different. When we think of organizational change, we tend to think of the fine-tuning of processes and systems such as technology, performance management, reward and recognition schemes, financial payment systems and improvements to operations. We also think of larger changes such as **mergers**, **acquisitions**, restructures, outsourcing and the launch of new products or services in the marketplace. Change comes in many guises including: modification, development, metamorphosis, transmutation, evolution, regeneration and revolution. For some, change is inherently messy, confusing and loaded with unpredictability. Andrew Pettigrew (1987) points out that change is a complex and untidy cocktail of rational decisions, mixed with competing individual perceptions, stimulated by visionary leadership, spiced with 'power plays' and attempts to recruit support and build coalitions behind a particular idea.

The various definitions of change carry the same connotation that change involves making something different, in some particular way. In its broadest sense, change is 'any alteration to the status quo' (Bartol and Martin, 1994: 199). It is an opportunity to make or become different (Oxford dictionairies.com) through new ways of organizing and working (Dawson, 2003a: 11). The difference can be small (incremental) or radical (transformational).

Moran and Brightman (2001: 111) define change as 'the process of continually renewing an organization's direction, structure and capabilities to serve the ever-changing needs of external and internal [stakeholders]'. In this sense, organizational change can be planned or emergent alterations to the whole or parts of an organization to improve the effectiveness and efficiency of the organization (see Chapter 2 for

a discussion on **planned change** and **emergent change**). This can include changes to: the mission and value of the organization, the **strategy**, goals, structure, processes, systems, technology and people in the organization. However, it is not just about 'what' changes, for as Barnett and Carroll (1995) conceptualize, organizational change is about the content and process. The content is 'what' actually changes in the organization (structure, process, systems and behaviour). The process is 'how' the change occurs and draws attention to issues such as the pace of change and the sequence activities, the way decisions are made and communicated, and the ways in which people respond to change. So when discussing change in this book, we will examine what changes as well as 'how' it changes and the impact of change.

Sustainable change

The word 'sustainable' derives from the Latin *sustinere*, which literally means 'to hold up' or 'to maintain'. Something is **sustainable**, therefore, if it endures, persists or holds up over time. In the context of change in organizations there are a variety of definitions that have been put forward. Some definitions focus on the embedding of new processes, whereas others focus attention on performance improvements independent of the methods employed. Some definitions are relatively static, focusing on the maintenance of improvements within a particular setting, while others are more dynamic and concerned with translating initial gains into a process of continual improvement. Dale (1996), for example, defines sustaining change in terms of increasing the pace of improvement while holding the gains made. Another useful definition comes from the UK's National Health Service (NHS):

> [Sustainable change is] when new ways of working and improved outcomes become the norm. Not only have the process and outcome changed, but also the thinking and attitudes behind them are fundamentally altered and the systems surrounding them are transformed in support. (NHS Modernisation Agency, 2002: 12)

Change is sustained, therefore, when it becomes an integrated or mainstream way of working and behaving in an organization, rather than something added on. As a result, when we look at the process, outcome or people's behaviour one year from now, or longer ahead, we should be able to see that at a minimum it has not reverted to the old ways or previous level of performance. It should have been able to withstand challenge and disruption – and evolved alongside other changes in the organization and perhaps even actually continued to improve over time.

Although this provides the most succinct working definition, it is important to take into account contextual issues, for as Buchanan and Fitzgerald (2007) conclude, 'the definition and timing that matter are those applicable to a particular organizational setting' (2007: 22).

Transition

Transition is the process or period of adapting to the change. Transition involves shifting from the current state or phase to another, for example, an individual changing from one role to another, a group changing from one decision process to another, or an organization going from one structural arrangement to another. The impact of the transition on

people needs to be understood and managed, and the emotional response to change needs to be recognized. It is often transition, not the change itself, that people react to. They resist giving up the status quo and their sense of who they are – their identity as it is expressed in their current work. For example, individuals may fear the chaos and uncertainty caused by change. They might feel threatened by the **risk** of a new beginning – of doing and being what they have never done and been before. To sustain change it is important to help people through the transition.

In his book *Managing Transitions*, William Bridges (1992) outlines his transition model. The main strength of the model is that it focuses on transition, not change. The difference between this is subtle but important. Change is something that happens *to* people, even if they do not agree with it. Transition, on the other hand, is what happens *as* people go through change. Change can happen very quickly, while transition usually occurs more slowly. Bridges' model highlights three stages of transition that people go through when they experience change. These are: (i) ending, losing and letting go; (ii) the neutral zone; and (iii) the new beginning. Bridges states that people will go through each of these stages at their own pace. For example, those who are comfortable with the change are likely to move ahead to the third stage quickly, while others will linger at the first or second stages. Each stage of the model is examined in greater detail in Chapter 11. Transition is therefore about adopting the change.

Transformation

Transformation is the marked change in nature, form or appearance of something. While change involves anything that is different from the norm, a transformation involves a 'metamorphosis' from one state to another. As a caterpillar grows, it changes. When it becomes a butterfly, however, a metamorphosis or transformation has occurred. This involves a catalysing change in belief and awareness, and a marked change in form, nature or appearance (Ackerman, 1986).

Transformational or **strategic change** and everyday incremental change can be viewed as different, not just in terms of their objectives but also in terms of their processes and size, scope and breadth, and what they demand of leadership. Transformational change is much more disruptive to what people do and the way they work. It reflects major shifts in environmental changes and demands and consequential new management, technological, organizational, cultural and social characteristics and processes within the organization.

Transformation involves massive programmes of change to turn around or renew an organization (Mintzberg et al., 1998) or an industry. For example, a significant transformation occurred in the book and the music industry in the 2000s, when both industries moved from hard copy to digital download. Transformation is typified by a radical reconceptualization of an organization's mission, **culture**, critical success factors and leadership style.

Aim of the book

This book seeks to inform the practice of the management and leadership of change in organizations. The strength of this book is that it provides a theoretical overview of the key issues followed by a focused practitioner orientation.

We aim to go beyond what is already known and to set out new frameworks, perspectives and practical approaches and recommendations for current and future managers and leaders in organizations, based on what has been learnt about change from theoretical and practical perspectives. We do this in four ways.

First, we focus on what has been learnt about change by considering existing theories and concepts, as well as occasions on which leaders and managers appear to have successfully accomplished change as well as when they appear to have failed to do so. This is important because learning is a prerequisite of change, and change is a prerequisite for learning (Hughes, 2006). The understanding of organizational change can be furthered through learning from failures as well as successes (we discuss learning from failure in Chapter 8). Ignoring failure can limit our understanding of the theory and practice of organizational change. Sorge and Van Witteloostuijn (2004) point out that there is a view in the literature that organizational change has an undeniable tendency to fail. Ghoshal and Bartlett support this view and say that for 'every successful corporate transformation, there is a least one equally prominent failure' (1977: 195). Other failure rates are cited as higher. For instance, it has been estimated, but without any valid empirical evidence to back it up, that up to 70% of change initiatives fail (Burnes and Jackson, 2011; Hughes, 2011). John Kotter (1995) has described the result of such a high level of failure as carnage, with wasted resources and burnt-out, scared, or frustrated employees.

Writers about change, if they mention failure, inevitably describe it as a lack of success. As Thorne (2000) points out, a crucial difference between writers on change and writers on organizational learning is how the latter group actively embrace failure as a valuable and positive part of learning and development. In contrast, change writers, if they mention failure, almost invariably describe it negatively as a lack of success. Sennet (2001) echoes this and says that there appears to be potential in learning from change which fails, yet talking and writing about it is seen as engaging with an organizational taboo. Carnall (2007) warns that achieving change is one thing; learning from the process of change is entirely different. In this book we make an optimistic start for such learning by considering occasions on which organizations appear to have successfully accomplished change, and occasions when they appear to have failed to achieve change. We provide examples, through case studies, of where change has been successful as well where it has failed in organizations, and, importantly, point to the lessons learnt from failure.

Second, this book, whenever possible, considers change from an individual, group/team and organizational perspective. The importance of organizational change is frequently mentioned in the literature (for example, Balogun and Hope Hailey, 2004; Carnall, 2007), while analysis of individual-level change is less prevalent and the group/team approach is the least common. This book argues for a greater understanding of individual, group/team and organization learning as a result of change initiatives. It therefore examines change at different levels in organizations.

Third, the book takes into account contextual issues, which are important in arriving at a deeper level of understanding of how change is sustained in practice. To focus on the context, content and process of the success and failure of change, we asked practising managers, leaders and individuals to provide their personal experience of change in organizations. They were each asked to reflect on the following:

- What was the type of organization in which the change took place?
- What was specifically changed?
- Why did change take place?
- Who made the decision to change?
- What has been the recent organizational history of change?
- How was the change communicated?
- What were the scale and scope of the change?
- What were the temporal aspects of the change?
- Who led the change and how was it led?
- Who managed the change and how was it managed?
- What was the outcome of the change?
- Who influenced the outcome of the change?
- What influenced the outcome?
- Was a successful outcome specified and communicated, and, if so, what were the criteria for establishing the achievement of the successful outcome?
- What have you/your team/the organization learnt from the change initiatives?
- What will you do differently with the next change initiative based on your learning?

We have included personal stories from managers and leaders of change across a diverse variety of companies in different sectors, based on their answers to these questions. This is important because the phenomenon of change requires an approach to its study that combines academic rigour and practical relevance. In this vein, an increasing number of researchers are proposing higher levels of **engagement** of practising managers and leaders in organizations with the research process and the employment of real-life experiences as empirical data (Huff, 2000; Stacey and Griffin, 2005). Although a number of studies have begun to address this issue (for example, Balogun and Johnson, 2004; Maitlis, 2005), few have provided data drawn from samples that cover a range of organizations. This book attempts to address this by including contributions from managers and leaders from a range of organizations across the globe.

Fourth, we [the authors] contribute our own experiences from the business and academic worlds. Many of the most successful books on change have been produced from the comfort of a business school campus or a consulting head office, or involved high-profile executives telling their story of trials and turnarounds. But there have been few attempts to craft a theoretical and practical book on change by people with academic and business experience. Throughout the years, we have acquired in-depth familiarity with many organizational change situations; sometimes we have learnt from our experiences working in management, leadership and consultancy roles, while other learning has come from having been the recipients of change.

Learning outcomes of the book

The intended learning outcomes of this book are to help you to do the following:

- Enhance your understanding of the theoretical concepts of change
- Develop your skills so that you are able to be more effective in managing and leading change in organizations

- Increase your ability to deal with issues arising from organizational change/s
- Improve your capability to work with and through people affected by change
- Sustain change in the organization in which you work

Overview of the book

This book aims to provide a comprehensive overview of the main perspectives on organizational change. It does this, first, by providing both a theoretical and a practical focus. Secondly, the book is meant for students, in particular those who strive to assess and understand the phenomenon of change in organizations. It is also meant for managers and leaders who are responsible for identifying the need and **readiness for change** as well as implementing, evaluating and sustaining change in organizations. It will be a helpful resource for specialists in organizational development, **project management**, human resources and other related disciplines responsible for facilitating change and transformation. Readers will find here a considerable number of frameworks, tools and different perspectives. We do, however, need to emphasize caution in that it is important to adapt the tools and techniques to the context of the organization or situation in which you are working, rather than attempting a cut-and-paste approach of 'one size fits all'. It is impossible to conceive of an approach that is suitable for all types of change, all types of situations and all types of organizations. Some may be too narrow in applicability whilst others may be too general. Some may be complementary to each other whilst others are clearly incompatible. We therefore recommend that readers adapt the frameworks, tools and different perspectives to the context of the organization in which they work.

Finally, the book synthesizes what is known about change in organizations and suggests ways of sustaining change. It brings together familiar as well as new material and perspectives. In this way, the book goes further than other texts in that it covers a breadth of issues pertinent to sustaining change in organizations.

Structure of the book

The distinctive feature of this book is that it focuses on *sustaining* change in organizations. The book is divided into five parts. In *Part One – The Essence of Change and Transformation* – there are two chapters, which provide an overview of context and theory. *Chapter 1* provides an introduction and outlines the key purpose of the book. *Chapter 2 – Theoretical Approaches to Organizational Change and Transformation* – introduces the nature of change. The aim of this chapter is to provide an overview of the theories of change and to consider the contemporary debates that populate the literature on the nature of change. We do this by examining some of the theories relating to change and exploring the different types of change. Our aim is not to provide an in-depth analysis, as this has been done elsewhere (for example Hayes, 2014). In this chapter we classify change according to how it emerges, its magnitude, focus and level in organizations. We address some key questions such as: How can change in organizations be classified? How does change come about? What should the pace of

change be – will it be easier if it is introduced quickly or over a longer period of time? And should change be process-driven or people-driven? In *Chapter 3 – Leading Change* and *Chapter 4 – Managing Change* we look at how designing, implementing, evaluating and sustaining change strategies depends on the ability and motivation of leaders and managers. While it must be managed, change also requires effective leadership. Depending on the type and scale of change, different styles of leadership may be appropriate. In *Chapter 3* we explain how an integrative model of six core leadership themes and practices can help to establish sustainable change. This model comprises **vision**, **purpose** (mission), **values**, strategy, **empowerment** and engagement as themes and practices of leadership for organizational change and transformation. We address some key questions, such as the following: What is the role of leaders in the change process? What do leaders need to do to nurture the change once it is on its way? And what is the difference between leading and managing change?

Managing change is the focus of *Chapter 4*. Change must be managed – it must be planned, organized, directed and controlled. This is a necessary (but alone not sufficient) condition for successful change. Management can be thought of as a function that is part of an organization's formal structure. This is evident in Mullin's (2007) statement that he regards management as taking place within a structured organizational setting and with prescribed roles; directed towards the attainment of aims and objectives; achieved through the efforts of other people; and using systems and procedures. Other writers have concentrated more on the roles that managers play, that is, what managers do (Kotter, 1990a; Mintzberg, 1973). The chapter discusses the definitions of management in relation to change in organizations. It also reviews the role of managers during organizational transformations. The chapter addresses several questions, including: What is the role of managers in change? And what are the capabilities required to effectively manage change?

In *Part Two – Recognizing the Need for Change* we explore diagnosing the need for change and identifying the readiness for change. *Chapter 5 – The Drivers for Change and Transformation* examines the context in which change takes place. We begin by discussing the external and internal triggers for change. The chapter explores how the triggers for change can be identified through conducting an analysis of the environment in which the organization operates. The chapter also considers the concept of 'learning disabled' – what happens when organizations fail to recognize the need for change. *Chapter 6 – Diagnosing the Need and Readiness for Change* discusses whether change is always necessary. It focuses on the importance of recognizing the possible need for change and assessing the strength of that need. The chapter defines the diagnostic process as well as critically evaluating the tools and frameworks that can be used as part of the process. This chapter provides the opportunity to take a step back and analyse the need for change.

In *Part Three – Planning, Communicating and Implementing Change* we review some specific issues that span organizations as a whole, such as learning, culture and structures. The process of moving from a recognized need for change to developing and implementing change is introduced in *Chapter 7 – Planning and Implementing Change*. This chapter focuses on the practical aspects of the 'how' of change. We consider a holistic approach to planning and implementing change and discuss the benefits of such an approach. The chapter critically evaluates linear models for

planning and implementing change and illustrates what has worked in organizations, using a number of examples. The benefits of using a project management approach are also considered. We address some key questions, such as: How can we effectively plan a change initiative? How can we ensure the successful implementation of change? And what are the key issues that need to be considered when implementing change?

Chapter 8 – Organizational Development and Organizational Learning discusses the principles of Organizational Development (OD) and learning. This is an extensive chapter, which is split into two parts: first, we critically review different OD models and interventions, then the second part of the chapter focuses on organizational learning – what it is and why it is important in the context of change. We discuss the concept of a **learning organization** and why it is important and how to develop it. The chapter concludes by exploring how to create learning communities and learning contracts. We address some key questions such as: How can organizations harness and apply the knowledge and lessons learnt from OD interventions? How can a learning organization be developed? And how can we learn from failure? The originality of this chapter lies in its emphasis not so much on a theoretical perspective but on the practical side, through the inclusion of frameworks, tools and case studies. This is not a topic that is examined in such great depth in other textbooks on organizational change.

In *Chapter 9 – Changing Organizational Structures* we examine the rationale for structural change and some of the challenges associated with it. This is a subject that tends to be neglected in some of the literature on organizational change. In particular, we focus on restructures as a result of mergers and acquisitions. We also discuss the importance of **due diligence** as part of the process of a merger or acquisition. We address questions such as: How do formal structures and systems influence change in organizations? How can leaders and managers select the most appropriate structure for their organization? What needs to be considered when changing a structure? And what are the complexities of managing a merger or acquisition?

Changing anything inevitably entails communicating about it. *Chapter 10 – Communication and Change* focuses on communication as a key process that influences how effectively an organization sustains change. The chapter critically evaluates the impact of communication on gaining commitment to change and also on **trust** and uncertainty among individuals and teams in an organization. We address several key questions, including: How can managers communicate effectively during times of uncertainty? What affects the quality of communication? And what are the most appropriate communication strategies and tools available? Practical tools are included in this chapter to help you to develop a communications plan.

Part Four – People, Politics and Power during Change and Transformation explores the impact of change on individual behaviours as well as on the politics and power within organizations. In *Chapter 11 – The Nature, Impact and Management of Attitudes Towards Change* we examine the nature and management of attitudes towards change. The chapter discusses the impact of change on individuals and explores the transition issues they face. Specifically, we consider the impact of change on behaviour and motivation, how individuals react to change, their attitudes to change and what leaders and managers can do to effectively manage the impact of change on individuals. The chapter considers how to gain commitment to the

change from individuals and the importance of involving them in the decision-making process.

Chapter 12 – Power, Politics and Conflict during Change explores the role of **power**, **political behaviour** and **conflict** during organizational change. The chapter provides a working definition of each concept and describes the roles of each in organizational change. The chapter discusses how power, politics and conflict are important to recognize and manage during change initiatives if change is to be sustained. The role of the change agent in relation to power, politics and conflict is also considered. The chapter concludes by providing some practical tools to analyse the power and influence of stakeholders in the change process. We address some key questions, such as: What are the positive and negative aspects of power, politics and conflict during change? How can political behaviour, power and conflict be managed effectively? How should the key stakeholders of change be identified and managed? What are the necessary skills to act as agents of change? And what are the key capabilities that change agents require?

In *Part Five* we aim to provide conclusions about *Sustaining Change and Transformation*. *Chapter 13 – Ensuring Sustainable Change through Monitoring and Measurement* focuses on measures for evaluating the effectiveness of change, and practical frameworks for achieving benefits and managing risks are provided. The chapter also examines the issues of declaring victory too soon and of people switching their attention and resources to other projects. It considers what to do if transformation fails and the strategies for turning the situation around. We address questions such as: How can organizations assess whether interventions are sustained as intended? How can leaders assess whether the chosen interventions are having the desired effect? And how can you ensure that the change plan continues to be valid? *Chapter 14 – Contemporary Issues in Change and Transformation* discusses the impact of megatrends on change at a global and local level and what this means for organizations. The chapter also examines the key issues of sustainability and business ethics for change and transformation. The need for future capability and capacity to cope with change and transformations is also considered, and key issues for the future of change are discussed. In the final chapter, *Chapter 15 – Conclusion* we attempt to synthesize our theoretical and practical perspectives on change and transformation and provide a summary of the issues we have discussed throughout the book.

In each chapter we have included the following: key issues, principal theories, relevant research, practical and tested tools, business examples, questions for discussion, activities and further reading, as well as practical conclusions and recommendations that point the way ahead for current and future managers and leaders.

This book is intended to provide a platform for the theory and practice of change, coalescing what is already known, identifying the priorities for what more needs to be known, and proposing how change can be sustained in organizations and benefits accrued from it. It attempts to address some of the key issues related to change from a practical and realistic perspective as well as a theoretical one. Experiences from individuals and organizations provide insights into what makes change successful and what makes it fail, as well as lessons learnt. We are pleased to share them with you.

Discussion Questions

1 From your experience, how valid is the claim that 'Organizations change all the time, each and every day' (Burke, 2002: xii).
2 In an organization you have either worked in or are familiar with, identify the changes that have been implemented in the past 12 months. How successful have they been?

Theoretical Approaches to Change and Transformation 2

Overview

- This chapter classifies change in organizations according to how it emerges, its magnitude, focus and level.
- Change can emerge through a planned approach. *Planned* change is deliberate, a product of conscious reasoning and action. In contrast, change sometimes unfolds in an apparently spontaneous and unplanned way (Lewin, 1947). This type of change is known as *emergent change* (Burnes, 2009a).
- The magnitude or scale of change can range along a continuum from small-scale discrete change (incremental) to a large-scale transformation. Incremental change aims to provide improvements. In contrast to incremental change, transformational change aims to redefine an organization's strategic direction, form, cultural assumptions and identity. This kind of change is also referred to as 'strategic', 'radical' or 'revolutionary' (Kanter et al., 1992; Weick and Quinn, 1999).
- An alternative position to viewing change as either incremental or transformational is punctuated equilibrium. This theory posits that organizations evolve through periods of incremental change, and periods of transformation, in which the deep structures of the organization are fundamentally altered (Gersick, 1991).
- The focus of organizational change can be *strategic* or *operational*. Pettigrew et al. (1992) distinguish between operational change as small-scale and relatively unimportant and strategic change as major and important structural changes.
- The level of the change process can be at an *individual*, *group*, *team* or *organization* level. The targets for this dimension of change tend to be behaviour, skills, knowledge and attitudes. Although the three levels are related, changes affecting each require different strategies and tactics.

The aim of this chapter is to provide an overview of the theories of change and to consider the contemporary debates that populate the literature on the nature of change. We do this by examining some of the theories relating to change and exploring the different types of change. Our aim is not to provide an in-depth, analysis as this has been done effectively elsewhere (for example, Hayes, 2010). The chapter considers questions such as: How can change in organizations be classified? How does change come about? What should the pace of change be – will it be easier if it is introduced quickly or over a longer period of time? And should change be driven by processes or people? We begin by defining what is meant by 'organizations', followed by an examination of the nature of change in organizations. The chapter explores next how change emerges, its magnitude, focus and level. The chapter concludes by examining whether change should be process- or people-driven.

Learning objectives

By the end of this chapter you will be able to:

- Appreciate the complex nature of change in organizations
- Critically evaluate the theoretical perspectives relating to the types of change that organizations may experience
- Identify what kind of change is needed as well as the magnitude, focus, level, pace and sequencing of the change

Organizations

Organizations pervade our physical, social, cultural, political and economic environment, offering jobs, providing goods and services, and contributing to the existence of whole communities. The products and services of organizations such as Google, Apple, Amazon, Starbucks and Toyota shape our existence and our daily experience.

Definition

An organization can be defined as 'a social arrangement for achieving controlled performance in pursuit of collective goals' (Buchanan and Huczynski, 2010: 8). This definition emphasizes that it is the preoccupation with performance and the need for control which distinguishes organizations from other social arrangements.

Gareth Morgan in his book *Images of Organizations* (2006) outlines eight metaphors, which invite the reader to view organizations through the following lenses:

- Machines
- Biological organisms
- Human brains
- Cultures or subcultures
- Political systems
- Psychic prisons

- Systems of change and transformation
- Instruments of domination

Morgan presents these metaphors as ways of thinking about organizations, as approaches to the diagnostic reading and critical evaluation of organizational phenomena. For instance, the metaphor of 'organization as machine' suggests an analysis of its component elements and their interaction. The metaphor of the 'psychic prison' suggests an analysis of how an organization constrains and shapes the thinking and intellectual growth of its members. Morgan suggests how, by using these different metaphors to understand their complex characteristics, it becomes possible to identify novel ways in which to design, change and manage organizations.

The nature of change

The idea that organizations are constantly engaged in change to a greater or lesser degree is not a new phenomenon. In 1947 Kurt Lewin postulated that life is never without change; rather there are merely differences in the amount and type of change that exist. Although change in organizations may be a constant, the nature of it is not always the same, as change comes in a variety of shapes and sizes and can be proactive or reactive depending on contextual factors.

Proactive and reactive change

Organizational change is triggered by a proactive or reactive response to something in the external environment or internally in the organization. *Proactive* change is initiated by leaders in an organization in response to a perceived opportunity as a result of their assessment or recognition of external or internal factors. For example, Howard Schultz perceived the opportunity to create an American version of the classic Italian coffee bar and transformed Starbucks in order to achieve that vision. Similarly, Madhavan Nayar, founder of Infogix, perceived the need for a new paradigm of information integrity and took steps to position his company for this emerging opportunity. Proactive change is an opportunistic change, in which the organization needs to create strategic advantage because of something present or anticipated internally or externally.

Reactive change is a response to factors in the external environment or within the organization that have already occurred rather than those that are anticipated in the future. The financial sub-prime crisis starting in 2007 and the Euro-crisis of 2010 created reactive change in the financial sector, such as the takeover of RBS by the UK government. Reactive change is something that has to happen to deal with an unexpected external or internal trigger.

A typology of change

Change in organizations can be classified according to it how it happens, its magnitude, focus and level, which form a typology of change as is illustrated in Figure 2.1. We will discuss each of these factors next.

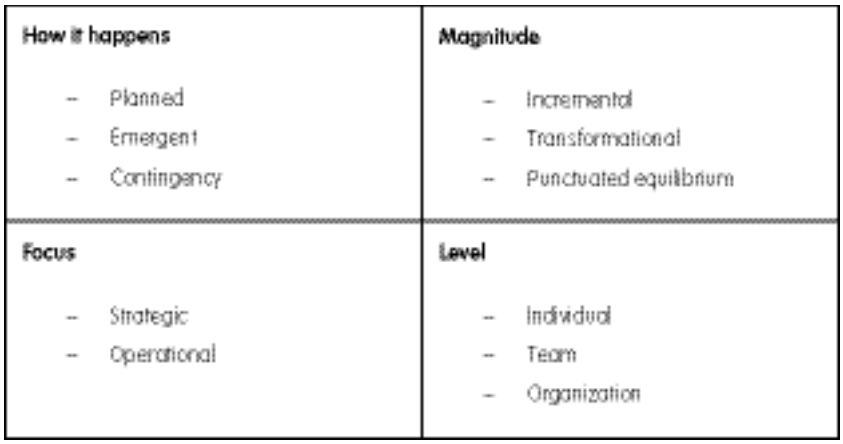

Figure 2.1 Typology of change

How change happens

There are different approaches to how change emerges and evolves over time. Sometimes change is deliberate, a product of conscious reasoning and action. This type of change is called *planned change*. In contrast, change sometimes unfolds in an apparently spontaneous and unplanned way. This type of change is known as *emergent change*.

Planned change

Planned change is an intentional intervention for bringing about change to an organization and is best characterized as deliberate, purposeful and systematic (Lippitt et al., 1958; Tenkasi and Chesmore, 2003). The traditional aim of planned change has tended to be continuous improvement and to focus on changing parts of an organization, rather than attempting to change the whole organization at once. The process of planned change is rational and linear, with leaders and managers the pivotal instigators of the change. Therefore it is usually change driven from the top (Carnall, 2007; Cummings and Worley, 2009; Kanter et al., 1992). The process of planned change may vary in the number of steps proposed and the order in which they should be taken. However, what reunites advocates of this approach is that change can be achieved as long as the correct steps are taken. For instance, Kotter (1996) maintains that although change is messy and full of surprises, his eight-step model will produce a satisfying result as long as the steps are followed. Similarly, Kanter and colleagues (1992) indicate that with their Ten Commandments for change, it is an unwise manager who chooses to ignore one of the steps. Such proponents of planned change argue in favour of change occurring through carefully phased or sequenced processes (we explore **linear models** further in Chapter 7). One of the classic models of planned change is that developed by Kurt Lewin.

Kurt Lewin's model of planned change

The fundamental assumptions underlying planned change are derived originally from Kurt Lewin (1947). Lewin's model is a key contribution to organizational change; indeed, if you scratch any account of creating and managing change, Lewin's model will not be far below the surface (Hendry, 1996). The model proposes three phases: unfreezing, moving and refreezing.

- *Unfreezing*. Lewin believed that the stability of human behaviour was based on a quasi-stationary equilibrium supported by a complex field of driving and restraining forces, hence his development of the **force field analysis**, which we discuss in Chapter 6. He argued that the equilibrium (the forces of inertia) needs to be destabilized (unfrozen) before old behaviour can be discarded (unlearnt) and new behaviour successfully adopted.
- *Moving*. This phase is about making the change happen.
- *Refreezing*. The final step in the model seeks to stabilize the group at a new quasi-stationary equilibrium in order to ensure that the new behaviours are relatively safe from regression.

Although there is evidence of the success of Lewin's approach in achieving behavioural change (Burnes, 2009b; Woodman et al., 2008), it is important to recognize that this approach is not meant to be used in isolation. For as Bernard Burnes (2013) points out, it needs to be recognized that Lewin intended his model to be used with the three other elements that comprise planned change – **field theory**, **group dynamics** and **action research**. Lewin saw the four as forming an integrated approach to analysing, understanding and bringing about change.

Although widely adopted and adapted, the idea that organizations are frozen, much less refrozen, has been heavily criticized. The main criticisms tend to focus on the following:

1. First, it is open to question as to whether organizations are as amenable to control as a block of ice (Grey, 2003). Dawson (2003a) and Kanter, Stein and Jick (1992) argue that the notion of refreezing is not relevant for organizations operating in turbulent times. They propose that organizations need to be fluid and adaptable and the last thing they need is to be frozen into some given way of functioning.
2. Second, Lewin's model is felt to ignore the human factor, treating individuals as automatons rather than active participants in the change process (Giddens, 1981). The model is also criticized for representing a singular, partial story told by senior management and consequently ignoring the many views of other individuals in the organization (Buchanan, 2003).
3. Third, Lewin's model is very much rooted in the North American assumptions of change. Marshak (1993) compares the assumptions of the model with assumptions behind an Asian model. In the Lewin model, change is linear, progressive, managed by people intent on achieving goals. In the Asian model, change is cyclical, processional, journey orientated, associated with equilibrium, and managed in a way that is designed to create universal harmony. So even if Lewin's theory is appropriate to North American organizations, it may not be appropriate to organizational change in other countries and cultures.

In summary, the critics of Lewin have concerns about how his model views organizations and individuals as well as the cultural assumptions embedded in it, which may limit its use across geographical and cultural boundaries.

Prochaska and DiClemente's change theory

In contrast to Lewin's linear model, Prochaska and DiClemente offer a cyclical model of change. The initial purpose of their model was to show where a patient was in their journey to change certain health behaviours. Prochaska et al. (1993) found that people go through a series of stages when change occurs. These are precontemplation, contemplation, preparation, action and maintenance. Progression through the stages is expressed as cyclical. This is because initially many individuals relapse in their efforts and do not successfully maintain the changes the first time around. Prochaska and DiClemente therefore created a spiral model to represent the various stages of their theory.

The first aspect of the model shows the movement of intentional change from precontemplation to contemplation of the issue. *Precontemplation* exists when an individual is unaware of the problems, or fails to acknowledge them, without engaging in any change process activities. Individuals in this stage do not want to change their behaviour and may insist that their behaviour is normal. *Contemplation* occurs when the individual becomes conscious of the issue. Individuals in this stage are thinking about changing their behaviour, but they are not ready to commit to the change process. The next stage of the model is preparation. *Preparation* is when the individual is ready to change their behaviour and plans to do so. The *action* stage follows next and is characterized by an increase in coping with behavioural change as the individual begins to engage in change activities. *Maintenance* is the last stage, where actions to reinforce the change are taken along with establishing the new behavioural change as part of the individual's lifestyle and norms. In this spiral model, individuals have the ability to exit at any time if they decide not to change. The model also takes into account a behavioural *relapse* or a return to the previous existing behaviour. In the case of a relapse an individual can revisit the contemplation stage and prepare for action in the future. The spiral pattern of the model suggests that many individuals learn from their relapses instead of circling around the issue.

So models of curvilinear or cyclic change assume that change in a certain direction creates the conditions for change in another (perhaps even the opposite) direction, whereas, linear models of change assume that change in a certain direction induces further change in the same direction.

Activity

Identify a change that you have personally experienced. Consider how the stages of the Prochaska and DiClemente model are applicable to the change?

Criticisms of planned change

Planned linear models can provide logical and sequential prescriptions for the processes of change. Such models map out the processes from the first recognition of the

need or desirability for change through to the practicalities of implementation (Price, 2009). However, planned linear conceptions of change are increasingly being challenged. Buchanan and Storey (1997: 127) argue that those who advocate planned change are attempting to impose an 'order and linear sequence on processes that are in reality messy and untidy, and which unfold in an iterative fashion with much back-breaking'. The difficulty, according to Paton and McCalman (2008), is that most organizations view the concept of change as a highly programmed process which takes as its starting point the problem that needs to be rectified, then breaks it down into constituent parts, analyses possible alternatives, selects the preferred solution and applies this relentlessly.

The criticisms of the planned approach to change can be summed up as follows:

- The emphasis of the planned approach on small-scale and incremental change is not applicable to situations that require rapid and transformational change (Burnes, 2009a; Senior, 2002). Change is a complex and dynamic process that should not be solidified or treated as a series of linear events (Dawson, 1994). The planned change approach has, according to Vince and Broussine (1996), an over-emphasis on the rational and consequently does not take into account the complexity, ambiguity and paradox acknowledged to be an integral part of an organization.
- The planned approach is based on the assumption that organizations operate under constant conditions and that they can move in a pre-planned manner from one stable state to another (Bamford and Forrester, 2003). These assumptions are, however, questioned by those who argue that the current fast-changing environment increasingly weakens this theory and that organizational change is more an open-ended and continuous process than a set of pre-identified discrete and self-contained events (Burnes, 2009a).
- The approach of planned change ignores situations where more directive approaches are required. This may be a situation of crisis that requires major and rapid change (Burnes, 2009a; Kanter et al., 1992), such as the political uprisings in the Middle East in countries such as Egypt and Turkey in 2013.

Some critics of the planned approach prefer to see change as an emergent, ongoing process, which cannot be achieved in a highly planned and programmed way.

Emergent change

The 'emergent' approach to change has been defined by some writers as change 'as-it-happens' (for example, Burnes, 2009a). Pettigrew and Whipp (1991: 108), for example, state that 'the management of strategic and operational change for competitive success is an uncertain and emergent process'. Burnes (2009) points out that there are two common beliefs underlying what he terms as the 'emergent' approach. First, change is viewed as an ongoing emergent process with no finite end point. Second, change emerges from the actions and decisions of people in organizations; for example, as the outcome of conflicts between different vested interest groups, in an attempt to adjust the organization to changes in the external environment, or through attempts to construct and implement a new social reality on the organization. As such, change is viewed as a continuous process and, consequently, attempts to impose a linear sequence of planned actions on

what are untidy processes that 'unfold in an iterative fashion with much backtracking and omission' (Buchanan and Storey, 1997: 127) are heavily criticized.

The 'emergent' approach starts from the assumption that change is not a linear process or a one-off isolated event but a continuous, open-ended, cumulative and unpredictable process of aligning and re-aligning an organization to its changing environment (Orlikowski, 1996). The rationale for this approach is that the nature of change is evolving and unpredictable, as Karl Weick says:

> Emergent change consists of ongoing accommodations, adaptations, and alterations that produce fundamental change without a priori intentions to do so. Emergent change occurs when people reaccomplish routines and when they deal with contingencies, breakdowns, and opportunities in everyday work. Much of this change goes unnoticed because small alterations are lumped together as noise in otherwise uneventful inertia. (2000: 237)

This is why the advocates of emergent change argue that it needs to be viewed holistically and contextually. Most importantly, proponents of emergent change view organizations as power systems and consequently see change as a political process whereby different groups in an organization struggle to protect or enhance their own interests. Consequently, Dawson states that:

> In managing these transitions practitioners need to be aware of: the importance of power politics within organizations as a determinant of the speed, direction and character of change; the enabling and constraining properties of the type and scale of change being introduced; and the influence of the internal and external context on the pathways and outcomes of change on new work arrangements. (1994: 180–2)

This view is supported by Pugh, who says that:

> Organizations are political and occupational systems as well as rational resource allocation ones. Every reaction to a change proposal must be interpreted not only in terms of rational arguments of what is best for the firm … The reaction must also be understood in relation to the occupational system … and the political system (how will it affect the power, status, prestige of the group). (1993: 109)

Advocates of emergent change emphasize that it is the uncertainty of the external and internal environment that makes it more pertinent than the planned approach (Bamford and Forrester, 2003). According to Dawson (2003), the essential unforeseeable character of change means that the process cannot be predicted and that **outcomes** are often understood only in retrospect. To cope with uncertainty it is argued that organizations need to become open-learning systems where strategy development and change emerge from the way a company as a whole acquires, interprets and processes information about the environment (Dunphy and Stace, 1993). Burnes says:

> [This approach stresses an] extensive and in-depth understanding of strategy, structure, systems, people, style and culture, and how these can function either as sources of inertia that can block change, or alternatively, as levers to encourage an effective change process. Successful change is less dependent on detailed plans and projections than on reaching an understanding of the complexity of the issues concerned and identifying the range of available options. (1996: 13-14)

To outline an emergent and improvisational model for managing the introduction of change into organizations, Orlikowski and Hofman use the metaphor of a jazz band:

> While members of a jazz band, unlike members of a symphony orchestra, do not decide in advance exactly what notes each is going to play, they do decide ahead of time what musical composition will form the basis of their performance. Once the performance begins, each player is free to explore and innovate, departing from the original composition. Yet the performance works because all members are playing within the same rhythmic structure and have a shared understanding of the roles of this musical genre. (1997: 13)

This model assumes that change occurs through the evolution of an iterative series of steps that produces outcomes that management could not have predicted at the start. In this model, managers become nurturers and facilitators of the change process. Orlikowski and Hofman (1997), however, acknowledge limitations to their theory:

- It is most appropriate to open-ended, customizable technologies or for complex, unprecedented change.
- Some people are incapable of playing jazz. In other words, not everyone will have the skills or the inclination to participate in such an unplanned, open-ended approach to change.
- The model downplays the impact of differing interests and politics associated with change. People may be capable of 'playing jazz' but not willing to do so because it is not in their interests to engage in a particular change programme.

The emergent theory is criticized for a number of reasons. Bamford and Forrester (2003) say that the approach lacks coherence and creates confusion and uncertainty in an organization due to a lack of clear objectives. This uncertainty can be unnerving to people in an organization. The theory is also criticized by Dawson (1994) as consisting of a rather disparate group of models and approaches. The applicability and validity of the emergent approach depends on whether you believe that all organizations operate in dynamic and unpredictable environments, to which they constantly have to adapt.

Contingency model of change

According to Burnes (2009), advocates of the emergent approach tend to adopt a contingency perspective, although they do not always admit it. The contingency approach is founded on the theory that the structure and performance of an organization are dependent on the situational variables that it faces. Arguing that the complex nature of environmental conditions mitigates against the creation of a unitary model of change, the contingency school of thought proposes that 'managers and consultants need a model of change that is essentially a situational or contingency model' that indicates how to vary change strategies to achieve 'optimum fit' with the changing environment (Dunphy and Stace, 1993: 905).

Contingency theories of change share with planned change the assumption that change can be directed through a series of steps. However, they part company with the step approach in arguing that the nature of this direction depends on, or is contingent on, a range of organizational factors such as the scale of the change, the

urgency of the change and receptivity to the change. There will therefore be different types of steps that managers will need to take, depending on the confluence of various factors.

The strength of the contingency theory is that it explains organizational change from a behavioural viewpoint where managers make decisions that account for specific circumstances, focusing on those that are the most directly relevant, and intervening with the most appropriate actions. The best course of action is the one that is fundamentally situational, matched to the needs of the circumstances. The contingency approach proposes no formulas or guiding principles for organizational change; instead the focus is on achieving alignment and a good fit to ensure stability and control.

Critics of the contingency approach argue that the theory assumes that organizations and managers do not have any significant influence and choice over situational variables and structure. Instead they argue that an organization does not necessarily have to adapt to the external environment. Burnes (1996) advocates an approach of choice, suggesting that there is certainly evidence that organizations wishing to maintain or promote a particular managerial style can choose to influence situational variables to achieve this. So rather than having little choice, rather than being forced to change their internal practices to fit in with external variables, organizations can exercise some choice over these issues (By, 2005). Despite such criticisms, the flexible nature of the contingency perspective means that change can be fast or slow, small or large, loosely or tightly controlled, driven by internal or external triggers, and appropriate to varying levels of uncertainty.

The processual perspective

The processual approach to change is often associated with emergent change. Patrick Dawson (2005), however, argues that this is a misrepresentation and that the emergent approach differs in a number of important ways from the processual perspective. The two main tenets that align are: first, that an understanding of power and politics is central to an understanding of the processes of organizational change; and secondly that small-scale incremental changes can over time lead to a major transformation in an organization. However, according to Dawson (2005), the claim that this approach equates with a contingency perspective (Burnes, 2005) in advocating that planned change is inappropriate in an uncertain environment misrepresents this perspective.

The processual approach does not view the non-linear dynamics of change as only being in evidence in turbulent environments, nor does it reject the notion of planning. The approach recognizes that there are often critical junctures that necessitate radical change – as illustrated by the Enron debacle – and that ongoing processes of change occur within organizations operating in relatively stable environments as well as those operating in dynamic business contexts (see Dawson, 2003b). The increasing number and rate of organizational change initiatives has drawn attention to the inadequacy of a one-best-way approach and the need for a broader understanding of the complex untidy and messy nature of change. But in so doing, the processual approach is not making a statement against planning for change, rather it is pointing out that change is unpredictable and therefore that there will be a need to accommodate and adapt to the unexpected, the unforeseen twists and turns, the omissions and revisions that are all part of managing the process of change over time. In seeking to make sense

of the way that change unfolds, the processual approach also provides insight into processes of continuity, as well as the temporal reshaping of change (Dawson, 2005).

Dawson (2003) has developed a processual approach that consists of three main elements, namely politics, context and substance of change. The politics of change is taken to refer to political activities inside and outside the organization (see the discussion of politics and change in Chapter 12). The contextual dimension refers to the past and present external and internal operating environments, as well as the influence of future projections and expectations on current operating practices. While the third area – substance of change – has four dimensions: the scale and scope of the change; the defining characteristics of change; the timeframe of change; and the perceived centrality of change. The processual perspective developed by Dawson has some similarities to the framework proposed by Andrew Pettigrew (1985).

In his book *The Awakening Giant: Continuity and Change in ICI*, Pettigrew (1985) demonstrated the limitations of the theories that view change either as a single event or as a discrete series of episodes that can be decontextualized. In a comparative analysis of five cases of strategic change, the study illustrates how change as a continuous incremental process (evolutionary) can be interspersed with radical periods of change (revolutionary). These major change initiatives are associated with major changes in business market conditions, such as world economic recessions, in which managers develop active strategies that build on these circumstances in order to legitimize and justify the need for change. For Pettigrew, 'change and continuity, process and structure, are inextricably linked' (1985: 1). He argues that the intention is not simply to substitute a rational approach with a political process perspective, but 'to explore some of the conditions in which mixtures of these occur' (1985: 24).

In studying change, the processual perspective draws our attention to the temporal character of change (the before, during and after of change) and the need to examine the way this process is shaped over time. The elements of context, substance and politics are advocated as providing a useful analytical framework. Although, as Dawson (2005) points out, it is recognized that in practice these elements often overlap and interlock, they ensure that the importance of choice and human experience within the political context of organizational life is recognized.

Discussion Questions

1 Compare and contrast the main approaches to change discussed above. What are the advantages and disadvantages of each?
2 What are the implications of each of the approaches for managing change?

Magnitude of change

The second dimension of the organizational change typology is the magnitude or scale of change. The scale of change can range along a continuum from small-scale discrete change (incremental) to more 'radical' large-scale transformation. According

to Burke (2002), nearly 95% of organizational changes are incremental. Incremental change aims to provide improvements. It is change that is constant, evolving and cumulative (Weick and Quinn, 1999). A key feature of this type of change is that it builds on what has already been accomplished and has the flavour of continuous improvement (known by the Japanese as *kaizen*). Incremental change tends to be quick and easy to implement and there are usually quick returns. The risk of failure tends to be low but so are the returns in terms of benefits.

Incremental changes are the outcome of the everyday process of management; they tend to occur when individual parts of an organization deal increasingly and separately with one problem and one objective at a time (Burnes, 2009a), such as the updating of processes, policies, methods and procedures (Hayes, 2010). Examples of incremental change include changing a product formula in such a way that customers would notice no difference (for example, Heinz changes the recipes of one of its soups by adding more herbs or less sugar); outsourcing a function, such as payroll (providing it does not lead to roles being made redundant); changing the format, but not the content, of written documents, such as policies, procedures or job descriptions.

Where change is incremental

The film *Groundhog Day* portrays a situation where change is incremental. In the film, Bill Murray plays a TV weatherman trudging off to remote Punxsutawney, Pennsylvania, to cover the annual 2nd February Festival (Groundhog Day). The next morning he awakens to discover that it is 2nd February again. He tries to break the pattern, through pranks, subversion and even eventually suicide attempts, but nothing changes. So Murray's trapped weatherman embraces his fate. As the weeks tick by he learns something new about the characters around him and the town and discovers how he can make the town a better place. *Groundhog Day* holds a deep moral about the importance of meaningful relationships and self-discovery. But perhaps a more important lesson is how the film – in highlighting the slow and deliberate nature of time and space – serves as an exaggerated example of an environment where change is incremental, predictable and certain.

According to Nadler and Tushman (1995), incremental changes are not necessarily small changes. They can be large in terms of the resources needed and their impact on people. For example:

- Adapting reward systems to the changing labour market conditions
- Enhancing IT systems
- Introducing a new type of commission on sales for how sales people will be rewarded
- Developing a new set of products or services for an emerging market on the basis of demographic shifts
- Implementing a new leadership programme for the top 150 senior managers in a company
- Modifying the structure of a specific department

Incremental changes can lead to major improvements and significant changes. Think of what has happened in discount retailing over the last ten years. Walmart's cumulative impact has been extraordinary, but the retailer developed that advantage by deepening existing customer and supplier relationships. In the financial sector, the example of Westpac Bank illustrates an organization that has effectively applied incremental change. Westpac is an Australia-based bank that offers general, commercial and industrial banking services as well as insurance and financial services. It has been rated the No. 1 performing bank on the Dow Jones Sustainability Index. Westpac has used incremental change strategies to build its capabilities and reputation in corporate sustainability and responsibility. This approach was initially seen as an effective way to mitigate risk and repair consumer confidence in banks, and Westpac's approach has since grown into a comprehensive strategic programme for achieving corporate sustainability. The bank's success at pursuing its incremental sustainability change strategy can be attributed to a variety of factors including:

- The development and incorporation of a values-and-goals statement that also elaborates on how the process of change should be managed and the integration of this into the mission and strategy of the organization
- The creation of a culture of constant **innovation**, including corporate sustainability and responsibility initiatives, such as the development of green products and a reduction of the organization's greenhouse gas emission
- The development of a workforce that takes initiatives both to shape the emerging business environment and to adapt rapidly and responsively to changing market, social and ecological conditions

The case of Westpac illustrates how incremental change can be used effectively. Incremental change therefore tends to be continuous and ongoing and for the most part impacts on the day-to-day operational processes of an organization.

The case of the John Lewis Partnership (below) illustrates that incremental change is about doing things better through a process of continuous tinkering, adaptation and modification. It is called 'logical incremental', in which change is implemented in small steps with lessons from each phase informing the next.

CASE STUDY

The John Lewis Partnership

The John Lewis Partnership – a chain of department stores – is known for its quality of service and value for money, including its policy of being 'never knowingly undersold'. Unusually, a trust owns the company on behalf of all employees, known as partners, who exercise a high degree of responsibility in managing the organization. In 2014, the partnership had 85,500 permanent staff, 40 John Lewis shops, 300 Waitrose supermarkets, an online and catalogue business, a production unit and a farm. The business had annual gross sales of over £9.5 billion. John Lewis has expanded mainly organically for six decades. In recent years, the challenge has been to maintain growth while confronting several developments: the advent of online shopping; keeping the 'not knowingly undersold' promise; intense competition from

other retailers, including food retailers diversifying their offerings; and the general high street recession. John Lewis's success depends on innovation. It calls its approach 'logical incremental', in which change is implemented in small steps, with lessons from each phase informing the next. The partners play a key role by providing feedback and insights into consumers' changing needs.

In their article about the John Lewis Partnership, Nicholas O'Regan and Abby Ghobadian (2012) discuss the logical incremental strategy which the partnership employs. The strategy is applied in several areas:

- *Responding to customers' requirements*. This involves frequent renewal of a wide variety of products with a broad range of pricing. In 2012, Waitrose carried 4,600 new products, and John Lewis about 30 new brands. The supermarket's new own-labels included 'Heston from Waitrose' in a tie-up with chef Heston Blumenthal.
- *New store formats*. John Lewis's new 'At Home' is a smaller version of the classic format, being typically a third of the size, carrying two-thirds the amount of stock and for one-quarter of the cost (about £10m in 2009). The flexible format allows all the stock to be showcased in half the usual space and customers can use in-store technology to make purchases. Waitrose opened high street convenience stores – smaller, and often with longer opening hours – called Little Waitrose, in 2009. There are 30 classic John Lewis stores, nine At Home outlets, 255 Waitrose supermarkets, 35 Little Waitroses and 84,700 partners.
- *International expansion*. One of John Lewis's most remarkable moves has been international growth. With South Korean department store Shinsegae, it trialled a shop within a store in 2012, and plans to repeat this approach. A planned shop at London's Heathrow airport is intended to boost its international profile. Waitrose ventured overseas in 2008 through a licensing agreement with Spinneys of Dubai.
- *Online retailing*. From the start, the company aimed to extend its service ethos to online retailing, which meant ease of use, and reliable and speedy collection and return of items. The online platform is updated often to keep in step with new technology and customer expectations: in 2012, John Lewis spent £40m on it. Collection of items ordered online has been made progressively more convenient. Pick-up points were extended to Waitrose, and now John Lewis has teamed up with a service that will allow collection in the UK from more than 5,000 convenience stores. Online is helping the international push, with John Lewis online now serving 33 countries. Online sales rose by £278m to £958m and profits by 37.2% to £217m in the last financial year.

Adapted from O'Regan and Ghobadian (2012).

Discussion Questions

1 What are the benefits of the logical incremental approach to change used by John Lewis?
2 How might the incremental approach to change sustain the company's competitive advantage?
3 What lessons can be learnt from using an incremental approach to change?

Transformational change

The turbulent nature that characterizes the environmental context of the twenty-first century means that the slow, plodding process of incremental change is not sufficient

for all organizations. Instead they rely on transformational change, which aims to redefine an organization's strategic direction, form, cultural assumptions and identity. This kind of change is also referred to as 'strategic', 'radical' or 'revolutionary' (Kanter et al., 1992; Weick and Quinn, 1999). For some organizations this is the only way for change to happen, for as Gersick (1991) points out, fundamental change cannot be accomplished piecemeal, gradually or comfortably. Transformational change can involve a paradigm shift and completely new behaviours not only in one company but also across an entire sector or even country – it means doing things differently rather than doing things better. It might even mean doing different things, such as when Amazon moved from being an e-commerce bookseller, to a content publisher, to a device producer. Similarly, Verizon – the technology communications company – experienced a transformational change when it invested billions in fibre optics to speed up landlines and partnered with Google to deploy Android smartphones, which required substantial change in the company's practices. An example of transformational change that has affected not only an organization or sector, but an entire country, is the case of the Chinese company Alibaba.

CASE EXAMPLE

Alibaba

Shopping in China can be a nightmare. First there are the hazards of simply leaving home – the smog, the traffic and the crowds. Then shoppers have two options: go to a modern shopping mall, where they can buy Western branded goods, made in China, for twice what they would pay for them in the West; or try their luck at the markets, where sellers haggle aggressively, overcharging everyone they can – and they never know if what they are buying is real or fake. What if someone could take this unpleasant experience and make it convenient and quick? This is what Jack Ma did, almost single-handedly, creating an e-commerce juggernaut known as Alibaba. The venture has taken the nightmare of shopping in China and transformed it into a painless, virtual experience, where sellers compete with each other and are rated by shoppers for quality and delivery. What Jack Ma did was to transfer the whole model online. Of course, it has not all been smooth sailing. Taobao – Alibaba's consumer-to-consumer sales portal, which is similar to eBay – has had to crack down on sellers after it gained a reputation for selling counterfeit goods.

Unlike Amazon, Alibaba has no inventory or logistics, and does not sell anything itself, aside from space on its servers and advertising for its search engine. Alibaba has been successful largely because it has leapfrogged offline shopping. Delivery companies run cheap, same-day delivery, and sellers compete in price wars with razor-thin margins, sometimes seemingly content to lose money in exchange for market share. Taobao and Tmall (Alibaba's websites) boast 80% and just over 50% cent of their respective markets.

The first competitor Alibaba saw off was eBay, which dominated China's e-commerce market but faltered when it switched traffic to US servers, resulting in slow performance. Users ditched eBay in droves, leading Ma to quip: 'eBay may be a shark in the ocean, but I am a crocodile in the Yangtze. If we fight in the ocean, we lose, but if we fight in the river, we win.'

Adapted from 'Ma's bazaar', Boldness in Business, *Financial Times*, supplement, March 24 2013.

Transformational change impacts on the deep structure of an organization. The key areas that represent an organization's deep structure are culture, strategy, structure, power distribution and the control systems (Tushman and Romanelli, 1985). Xerox is an example of a company which has gone through transformations that have affected its deep structure. When Anne Mulcahy took over Xerox in 2001, with the company in dire straits and $7.1 billion in debt, she implemented transformational change. Mulcahy restructured the company, downsized from 91,000 to 58,000 employees and made a strategic shift away from the black-and-white printer market. As a result of the transformational change, net earnings increased over 5 years to $1.2 billion.

Such transformational change is often triggered by external factors (see Chapter 5 for a discussion on the drivers for change and transformation). For example, technology innovations, such as Cloud computing, are driving significant change in companies that traditionally own their software and hardware and keep them on the premises in data centres and other specialized facilities. With Cloud computing, companies lease their digital assets, and their employees do not know the location of the computers, data centres, applications and databases that they are using. These resources are 'in the cloud' somewhere. Cloud computing is a sea change – a deep and permanent shift in how computing power is generated and consumed. According to Andrew McFee (2011), Cloud computing is as inevitable and irreversible as the shift from steam to electric power in manufacturing. And just as that transition brought many benefits and opened up new possibilities to factory owners, so too will Cloud confer advantages on it adopters. Another transformational change is 3D printing, also known as additive manufacturing. For instance, Nike and Adidas are embracing 3D printing to speed up their shoemaking process. They are using technology to make multiple prototype versions at a previously impossible speed. So technological advances are being exploited to drive transformational change.

An example of an industry that has implemented transformational change is the travel sector. The travel industry has always been and always will be a huge industry even though it has seen a lot of changes due to the internet. In the past, the only easy way to book a vacation or a business trip was through a travel agent. This has all changed, with so many different websites available that an individual can easily book a trip within a matter of minutes, and that includes booking everything – flight, accommodation, car rental and much more can all be done with a few clicks and a credit card. Travelling has been transformed in other ways, for example with technology such as iPhones and iPads it is easy to check on flight times and delays.

Such transformational changes vary in their magnitude. Flamholtz and Randle (2011) distinguish three types of transformational change:

- *Type 1* transformation occurs when an organization moves from an entrepreneurial to a professional management structure, for example the transformation of Apple Computers from an entrepreneurial company under its founder, Stephen Jobs, to a larger professional company under John Sculley.
- *Type 2* transformation involves the revitalization of an already established company. The organization remains in the same market but focuses on how to rebuild itself in order to operate more effectively. An example of this is Compaq Computers. In the 1990s this company faced a changing environment, including

changes in customer needs. The company re-engineered its operational systems, downsized, lowered its purchase and production costs, and placed more emphasis on teamwork.

- *Type 3* transformation involves change in which the organization fundamentally changes the business in which it is involved, such as the move from print to digital books, which is significantly transforming the publishing industry. The case of SECURICO – one of Zimbabwe's largest security companies – illustrates type 3 transformation.

CASE STUDY

SECURICO

The Harare-based firm SECURICO is a market leader in the provision of bespoke guarding services and electronic security solutions. In just over 15 years of doing business, SECURICO has risen to a $13m (revenues) company with over 3,400 employees – 900 of whom are women. In 2013 it was the winner of the prestigious Legatum Africa Awards for Entrepreneurship.

The company founder and managing director is Divine Ndhlukula, a Zimbabwean national who was keen to start her own business and saw an opportunity in the security services sector. The opportunity was prompted by what Divine had noted as a gap in the market for a quality-oriented security services provider. Divine identified two distinct groups of security organizations that existed at that time: the first group was comprised of the long-established and larger companies – there were about five of them. They had the market to themselves and did not see the need to meet customers' expectations as they could simply rotate the business among themselves in a cartel-like arrangement. The second group was the small emerging or submerging companies that did not have the resource capacity to service big corporations and multinationals. With next to nothing in capital and no security background, just armed with passion and determination to succeed in a predominantly male area, Divine founded SECURICO in 1998 in her small house in Harare, with four employees.

In 2008, at the height of the Zimbabwean economic crisis, SECURICO acquired an electronic security systems company – MULTI-LINK (PVT) LTD – as a going concern. It was transformed into a high-tech installer specializing in the latest innovative and cutting-edge electronic security solutions. The company has since established partnerships with suppliers in South Africa, China, Hong Kong and India. It has grown into the second largest company in Zimbabwe in the provision of electronic security systems such CCTV, access control systems, alarms, remote site monitoring and response services, and electric fences.

SECURICO has set a pace that has transformed the private security business in such a way that its brand has become the flagship. In the past the security industry in Zimbabwe was associated with people who had failed to make it into other careers. This resulted in an industry where employees had low self-esteem, which in turn affected the quality of services that were provided. SECURICO embarked on an initiative to shift this paradigm. This was achieved by a conceptual framework that Divine came up with and implemented in order to change that mindset. The security industry has since been transformed to one that is respectable, professional and one in which people are eager to build their careers.

Adapted from 'Africa's most successful women: Divine Ndhlukula', www.forbes.com (accessed June 2014)