Change, Strategy and Projects at Work

Roger Jones | Neil Murray

The Open University

ROUTLEDGE

CHANGE, STRATEGY AND PROJECTS AT WORK

This page intentionally left blank

CHANGE, STRATEGY AND PROJECTS AT WORK

Roger Jones
and
Neil Murray

Routledge
Taylor & Francis Group

LONDON AND NEW YORK

The Open University

Notices
Knowledge and best practice in this field are constantly changing. As new research and experience broaden our understanding, changes in research methods, professional practices, or medical treatment may become necessary.

Practitioners and researchers must always rely on their own experience and knowledge in evaluating and using any information, methods, compounds, or experiments described herein. In using such information or methods they should be mindful of their own safety and the safety of others, including parties for whom they have a professional responsibility.

To the fullest extent of the law, neither the Publisher nor the authors, contributors, or editors, assume any liability for any injury and/or damage to persons or property as a matter of products liability, negligence or otherwise, or from any use or operation of any methods, products, instructions, or ideas contained in the material herein.

This book forms part of an Open University course T226 ICTs, change and projects at work. Details of this and other Open University courses can be obtained from the Student Registration and Enquiry Service, The Open University, PO Box 197, Milton Keynes MK7 6BJ, UK: tel. 44 (0)845 300 60 90, email general-enquiries@open.ac.uk, http://www.open.ac.uk

Contents

Contents

vi

Contents

List of activities

List of figures

List of tables

Preface

This book aims to provide you with a working insight into the nature of change, the formulation of strategy and the implementation of change through projects in the workplace. We say insight because there is no intention to offer a text that would satisfy the professional change or project management specialist. There is an abundance of management books up to – and beyond – MBA level that separately address managing change, developing strategy and project management as specialist subject areas. In our book we aim to integrate these aspects – which in our view are too often treated as separate disciplines – in a coherent way. However, this is not just another academic 'text book', the focus throughout is on praxis, '… *the process by which a theory, lesson or skill is enacted or practised[sic].'*[1] Therefore, we aim to equip you with the knowledge, skills and techniques to help you apply what you learn in a practical way – and to learn from that experience.

A central assumption of this book is that all too often, people tasked with implementing change and those affected by it are not involved in the strategic analysis that preceded the implementation phase; moreover, they often do not understand how strategic objectives emerge from the analysis or the forces driving those objectives. It is our view that *everyone* within an organisation should have an awareness of the wider organisational context and the strategic planning process that gives their organisation direction and impacts on their careers. This entails not just passively receiving strategic objectives handed down from on high like the Ten Commandments, but really understanding the context within which these particular strategic objectives were

---

chosen. After all, we all need to be strategic at times in our personal lives, though we may not be aware of this – planning holidays, deciding where to go and how to get there, planning where we wish to live and how and where our children will be educated and so on.

Clearly, it is easier to achieve the necessary level of awareness and understanding in smaller organisations, but we believe that many larger organisations could do much more to empower their employees with knowledge about the change context and organisational strategy. The notion that change and strategy are things that can safely be left to 'senior managers' and specialist change managers and project managers is anachronistic in the era of globalisation. For organisations to survive, let alone prosper, in such a dynamic environment they must get the most out of their people in terms of energy, initiative and intellectual capital. Every employee should be encouraged to see themselves as a potential agent of change (a change agent) and be equipped with the knowledge, tools, techniques and *confidence* to suggest ways of improving personal and organisational performance.

Smart leaders within organisations know that it is often the people closest to the task who know how it could be performed more effectively. It is also our contention that, if people feel more included in their organisation's strategic planning process and are empowered to make suggestions for improvement, they will be more motivated and creative at work. It is this motivation and creativity that can lead to innovation, which is the lifeblood of all organisations in a rapidly changing environment.

So, this book is not aimed particularly at people with 'manager' in their role or mindset, though we all have something that we need to manage. Whatever our day-to-day role in the workplace, sports club and so on, you may sometimes find that you are the person best placed to pick up and run with a particular challenge or opportunity that change presents. You take on the role of the 'situational' manager or leader, when for a period you become the lead player, making the running and calling the shots. You need

to be prepared for such opportunities when they arise – and even to seek them out.

This book will help you build your insight, knowledge, skills, competencies and other attributes that will help you to engage successfully with change, strategy and projects undertaken in the workplace. Your current responsibilities may already require some of these attributes though perhaps you are not fully aware of them or sufficiently confident should you be called upon to use them to create opportunities for yourself and your organisation.

The book starts by recognising that the rumblings of change are generally accompanied by a flurry of reactive activity along the lines of 'what can we do to head off this or make the most of that?' In this book we demonstrate how to take a more pro-active, systematic and rigorous approach to change, strategic planning and project working. Effective strategic planning is about analysing and anticipating change; analysing factors and trends that may have an impact, then planning, designing and finally implementing a strategy for survival and/or success. Implementing a strategy successfully frequently requires the development of a change programme which is invariably implemented through one or more projects.

Change can vary significantly in its nature, intensity and scale. We use the term 'programme' to refer to a comprehensive and more or less structured response to a change situation, which must address the strengths, weaknesses, opportunities and threats that may have been identified both within the organisation and in the external context in which the organisation operates.

From a practical standpoint a, change programme may require a multiplicity of projects to be carried out; each project representing a significant step forward towards the required outcomes of the change programme. Working through change programmes and the associated projects require skills that are highly marketable employability skills. At the end of this book we will review the skills, competencies and other attributes that need to be developed to improve your employability.

As you read this book you will see that analysing and managing change effectively is largely about establishing the aspirations of the organisation and the strategy needed to achieve those aspirations. However, it is all too easy to concentrate on the abstract notion of 'the organisation' and in the process forget that organisations are made up of people with different attributes, needs, motivations and aspirations. Taking into account the 'human' dimension of change is a crucial factor in any change programme or project.

Sometimes the exact outcome of a strategic change programme may not be precisely defined at the start because there are too many unknowns; sometimes the only 'known' is that significant change is required if the organisation is to prosper or perhaps survive. Planning to implement a change programme must therefore take this on board.

In project working there is a greater emphasis on defining as precisely as possible all factors concerned with attaining the required project outcome. Project working, therefore, has an increased focus on the technical and procedural aspects involved in introducing practical change – though, of course, human factors such as effective team working and individual and group behaviour are still crucial to a successful outcome.

After reading this book you should be in a strong position to contribute to the analysis, planning and implementation of change, whatever your day-to-day role entails, enabling you to carry through the associated practical workplace projects to achieve your organisation's strategic objectives and adding value to your organisation in the process.

Although an organisation may commission specialists to work at a strategic level, there is no substitute for employees actively supporting and engaging with the delivery of change in their workplace. A progressive organisation will encourage its employees to critically review workplace practices and introduce innovative improvements in order to keep the organisation relevant and competitive. Working carefully through this book will help you view the world through the eyes of a change agent or change leader as well as someone on the receiving end of change. Ultimately it should help you to create new opportunities for yourself and for your organisation.

How to use this book

This book is designed to be used in a variety of ways to suit particular audiences. It can be read as a narrative account of change, strategy and projects at work. It can also be used as a 'toolkit' containing tools, techniques, advice and guidance on how to go about analysing the organisational context, developing a strategic plan and managing a project. In this sense it is a 'how to' book with a practical application, which you can dip in and out of as required. However, the book also forms a central part of an Open University course that enables students to gain academic credit for demonstrating an ability to successfully apply the key concepts, tools and techniques contained herein to their own workplace. Readers who are pursuing this route will be guided by other course materials to study the text and apply the knowledge and skills acquired in a more systematic and coherent way.

Whichever way you intend to use this book we are confident that, having gained an understanding of change, the organisational context and strategic planning, you will be in a much better position to develop and plan a work-based project that improves the way you work and adds value to your organisation.

This page intentionally left blank

1 The nature of change

Introduction

Death and taxes, it is often said, are the only certainties in life; but to these must be added change. Change happens for a number of reasons, not least because humankind is inherently creative seeking to change the world, or at least part of it, for some economic, social or other perceived benefit. However, as well as opportunity, change can bring with it challenges, uncertainty and insecurity – so understanding what drives change and how to cope with it involve important life and work skills.

History provides many rich accounts of how people, organisations and nations have reacted to change throughout the centuries. In the contemporary world, globalisation – the increasing intensity, extent and complexity of interactions on a global scale – is driving change at ever greater speed and so we all need to learn how to live with change and meet the challenges it brings.

Change and innovation are closely linked. Innovation is about doing something new or doing something in a new way that creates value for an organisation, group or wider society. According to Luecke and Katz (2003)[1]:

> *Innovation … is generally understood as the successful introduction of a new thing or method … Innovation is the embodiment, combination, or synthesis of knowledge in original, relevant, valued new products, processes, or services.*

Innovation is crucial in creating a competitive advantage and even in non-profit making organisations there is an ongoing need to ensure that services, products and processes

---

[1] Luecke and Katz (2003).

are improved in innovative ways to avoid an organisation becoming stagnant, irrelevant and, therefore, dispensable. Of course, not all change initiatives will have innovative outcomes, but it is difficult to innovate if an organisation is averse to change.

Change is not an unfamiliar concept; in the context of this book it expresses how life will be somehow different tomorrow or, perhaps, in the months or years ahead. It can, however, evoke strong defensive reactions. To seek to secure that which is familiar, even if this means burying our heads in the shifting sands of change, is a common response. We may find temporary refuge by battening down the hatches, but where does safety really lie? Surely not by denying that the world is changing but rather by facing up to change and making the best of the challenges and opportunities that it creates?

Change affects us all periodically in our personal, social and working lives. We may find change, and the new challenges it brings, exciting or we may suffer diminished confidence in our ability to cope with new ideas, technologies, processes and the new ways of doing things. We may feel nervous and reluctant to abandon the ways we have always done things, especially when things have worked well – thus far!

How do you feel about change?

Sometimes change may have been anticipated but at other times it comes out of the blue. The consequences may be positive, such as being promoted at work, and at other times negative, such as when a close friend or family member dies. When change is unwanted, even when it is anticipated, we can experience a roller coaster of emotions, which may be traumatic depending upon the degree of change we are experiencing. Read through the box entitled *The coping cycle* and think about experiences you have had when you have undergone some significant change in your personal or working life.

The coping cycle

Table 1.1 identifies five phases that are characteristic of the way people react to change. Similarities can be seen whether the change is something that has been anticipated, such as a proposed change at work, or something that comes out of the blue, such as a serious illness or death.

Table 1.1 *The coping cycle*

Phase 1	Denial	Initial disbelief that a change is underway 'We have always done things this way' 'Why change, we are making a profit aren't we?' 'Don't change a winning team' 'We tried that before but it did not work'
Phase 2	Defence	Reality intrudes and people realise they must react. 'That's fine but it won't work in my area' 'I'd like to get involved but I have too much work to do' 'The theory is fine, but it won't work in practice'
Phase 3	Discarding	Moving on from the defensive stance 'Whether I like it or not, it is going to happen, so I had better…' 'Well here it is; we are committed to it; here's how I see it' 'I was giving that new machine a try, and do you know…?' 'I've been asked to join the group looking at x'
Phase 4	Adaptation	Experimenting and feeling the way forward 'We are still trying to get the new x to work' 'We are getting most of the output from the new x but I still think we need to…' 'We are never going to get x to work unless those so and so's in that department pull their finger out' 'I kept telling them that that was what we needed to do and finally they have done it'
Phase 5	Internalisation	What was the future state is now the current state. 'I was talking to x in the y department the other day about that customer order…' 'We are getting a group together to see whether we want to implement that software upgrade' 'That is one of the things I want to raise at my next review'

Source: *Adapted from Carnall (1999)*

An individual's perspective of a change can typically lead to variations in levels of self-esteem and of performance (which are closely linked) and these are likely to vary with time as the individual passes through the stages of denial, defence, discarding, adaptation and internalisation, as shown in Figure 1.1.

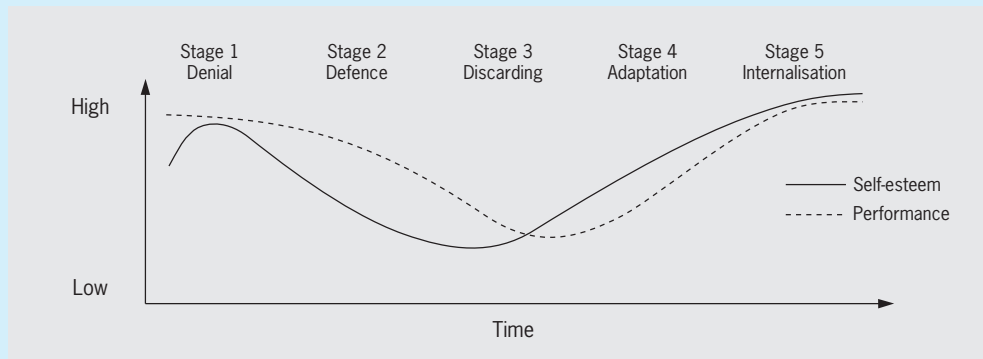**Figure 1.1** *The coping cycle: effects on performance and self-esteem*
Source: *Carnall (1999)*

Change is all about moving from an initial state to a new state. The initial state may be one in which we have felt comfortable for some time, being characterised by comparative stability, unchanging routines and a psychological state of relative satisfaction with things as they are.

When change happens the comfort ceases and a period of uncertainty begins where we may question the necessity of change and what it will mean for us. The transition between the old and the new states involves the movement away from the familiar but with little idea yet of what the future state holds. This is a period of instability, in which our response to change may be dominated by negative thoughts and concerns.

Some time afterwards, when the new state becomes the accepted normality, we may feel a period of psychological comfort returning as we learn to engage with the new order and the opportunities that accompany it.

In an organisational context change can be unsettling. The leaders in an organisation may understand that change is

needed, but not necessarily what form it should take. In Chapter 2 we will be exploring how an organisation can work through this dilemma and determine its best way forward.

The metaphor of undertaking a journey is appropriate for both the individual and the organisation facing change. Read through the box headed *The journey metaphor*.

The journey metaphor

◆ Where are we now?

◆ Where do we need to get to?

◆ Are we heading in the right direction?

◆ What are the options along the way to help us to reach our destination?

The direction we should take (as an individual or as an organisation) will depend upon the starting point, our purpose (often referred to as the 'mission'), an idea of where we need to be – our destination (articulated as the 'vision') and how we can best plan and navigate our route and organise ourselves to get there. The options for getting to the desired future state will include the choice of route, the means of travel and how urgently arrival is required.

Proposed change is unlikely to be embraced enthusiastically by everyone from the start and so leaders and agents who are involved in introducing change need to be aware of the fluctuations in self-confidence, self-esteem and motivation that others can experience as they progress through the coping cycle.

Reading through the box headed *Change perceptions* you will see that change isn't easy because people often deny the need for change, preferring instead to stay within, or return to their own comfort zone. Even when there is a recognition that change is beneficial and an individual initially engages with change, early efforts can soon falter, as we all know