

# Managing Change

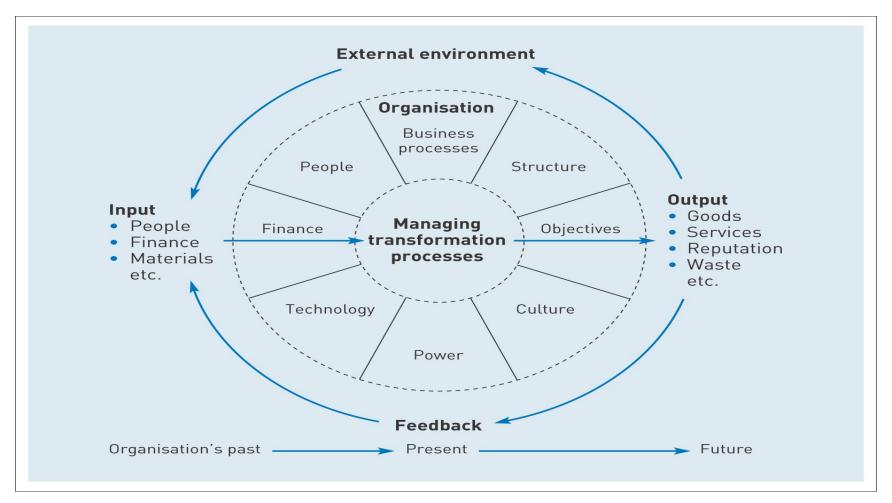
Harry Kogetsidis
School of Business

#### Lecture's topics

- What is organisational change?
- Why is organisational change happening?
- Why do people resist change?
- How can organisations reduce change resistance?

Organisational change is a deliberate attempt to improve organisational performance by changing one or more aspects of the organisation.

# The Management Process



It is rare for any significant change to consist of only one element. The systemic nature of organisations means that a change in any of these areas is likely to have implications for others.

The organisation seen as a system made up of **elements** and **interactions**.

Organisational change normally begins when a gap between desired and actual performance is discovered – usually because the organisation's internal context is unable to meet the external demands upon it.

Organisational change normally begins when a gap between desired and actual performance is discovered – usually because the organisation's internal context is unable to meet the external demands upon it.

## Changes in the external environment

#### Change Agents

Change agent is a person who initiates and assumes the responsibility for managing a change in an organisation.

Change agents can be from inside or outside the organisation.

## Advantages of external consultants

#### Disadvantages of external consultants

#### Change Resistance

When a change is initiated, new 'rules' are created for organisational members.

People, however, do not necessarily accept the new arrangements without question and they frequently resist change.

- A genuine belief that the proposed change is not in the organisation's best interests.
- Fear of losing certain benefits.
- Uncertainty about the future.

 A sense of loss of what one has invested in the current system.

Organisational members who have invested more in the current system tend to resist more than those new to the system.

 The proposed change does not fit the culture of the organisation.

> The prevailing organisational culture influences how people view change. Organisational members are likely to welcome a project that they believe fits the culture of the organisation and to resist one that threatens it.

 The proposed change threatens the current distribution of power.

Change threatens the 'status quo' and is likely to be resisted by those who regard their position in the organisation as 'powerful'.

## Resistance Reduction Techniques

#### Group Work

Several countries have in the last few years imposed a ban on smoking in public places. Which countries have adopted such a measure and what has been the reaction to it? What is the current state of affairs in your country regarding smoking in public places and how has the implementation of any new laws changed public perceptions?