

# Change management Or the art of evolving

Week 2

This week:

Fundamental Qs

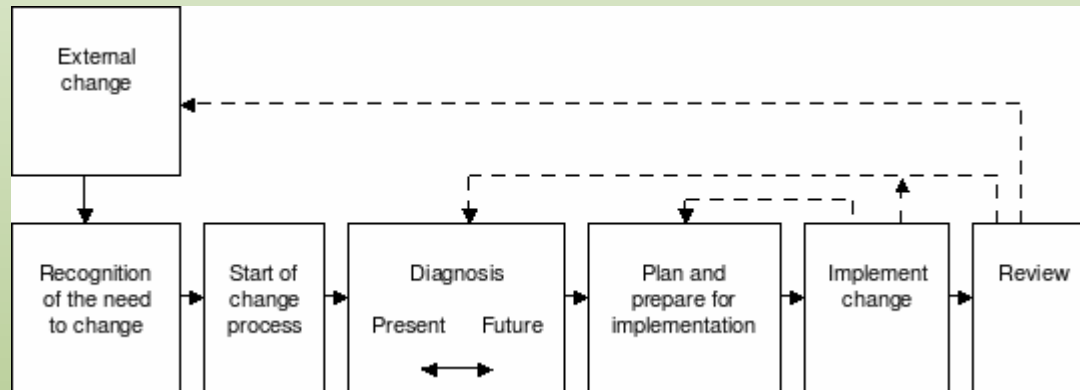
Change orientation and evolution

Recognizing the need to change

Tools for identifying needs

The force of change

## Process model after Hayes



part II

part III

part V

part VI

We are here

## Fundamental Qs

Recognizing the need for change implies asking:

Is it necessary to change?

We need to establish that such needs exist

What such needs are there?

We need become precise as per the needs for change

How do we recognize them?

We need to have the tools to identify

- the causes for change
- and the cause agents

But even if we know the reasons for change and have set out the processes, one needn't change at all – why?

## Change orientation and evolution

### The workings of change processes

Change by definition is future oriented; in applying Mc Taggart's B series (or a split A series) the challenge for an organization is to establish the change processes according to the following patterns

Patterns	Moment 1	Moment 2
1	Then	Now
2	Now	After

## Change orientation and evolution – cont.

### The workings of change processes

Pattern 1 involves the **actual** evolution of the organization within a given time frame

Pattern 2 involves the **possible** evolution of the organization within a given time frame

Patterns	Moment 1	Moment 2
1	Then	Now
2	Now	After

Note:

possible evolution (trend) ≠ desired evolution (trend change)

Need recognition

## Recognizing needs

Pattern 1 requires analysis of collected data

Pattern 2 requires forecasting techniques

Patterns	Moment 1	Moment 2
1	Then	Now
2	Now	After

## Need recognition tools

### Pattern 1 – tool 1 – identifying external change causes and agents

#### Analysis of

- Market factors: stakeholders, competitors
- Structural factors: political, economic, social, technological

### Pattern 1 – tool 2 – identifying internal change causes and agents

#### Analysis of

- People factors: leadership, delegation, stakeholders
- Process factors: policies, administration
- Structural factors: relationships, communication
- Coherence factors: culture, values



Need recognition tools – cont.

## Pattern 1 - factors to consider when assessing performance

The following:

- Purpose: profit and non-profit purposes
- Stakeholders: internal and external: their importance and expectations
- Levels of assessment: institutional, departmental, functional
- Alignment: coherent system of assessment
- Time: length of the time frame to carry out the assessment
- Benchmarks: use of standards, targets, competitor and market data

Lessons from the balanced scorecard model: use financial (quantitative) and non-financial (qualitative) data

Need recognition tools – cont.

## Pattern 2 – forecasting

Forecasting techniques – regression analysis – can help establish trends based on historic data

Week	Sales
1	150
2	157
3	162
4	166
5	177
6	

*Question: Given the data, what is the line of best fit that can be used to predict sales in week 6*

Need recognition tools – cont.

## Picture generation from Pattern 1, 2

Once the data are collected and trends have been established, the organization constructs a picture as what is likely to happen in the future given what has happened in recent times

The elements making up the picture include

Financials

Stakeholder satisfaction

Process effectiveness

Evolutionary force

# The force of change

Change has been – after Nadler & Tushman:

	Incremental	Transformational
Anticipatory	Tuning	Reorientation
Reactive	Adaptation	Re-creation

## Change: Organizational and Individual Perspectives (cont'd)

- **Tuning**
  - The most common, least intense, and least risky type of change.
  - Also known as preventive maintenance and kaizen (continuous improvement).
  - Key is to actively anticipate and avoid problems rather than waiting for something to go wrong.
- **Adaptation**
  - Incremental changes that are in reaction to external problems, events, or pressures.

## Change: Organizational and Individual Perspectives (cont'd)

- **Re-Orientation**
  - Change that is anticipatory and strategic in scope and causes the organization to be significantly redirected.
  - Also called “frame bending” (Nadler and Tushman).
- **Re-Creation**
  - Intense and risky decisive change that reinvents the organization.
  - Also called “frame breaking” (Nadler and Tushman).

## Readings

- <http://www1.lsbu.ac.uk/osdt/materials/OrgFrameBendManReorient.pdf>
- [http://ro.uow.edu.au/cgi/viewcontent.cgi?article=1768&context=comm\\_papers](http://ro.uow.edu.au/cgi/viewcontent.cgi?article=1768&context=comm_papers)
- Hayes: ch4
- Dawson & Andriopoulos: ch14, ch15

**CASE STUDIES**  
*As per the syllabus*