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Change Management in Modern Era

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Abstract: *Change management is a collective term for all approaches to preparing and supporting individuals, teams and organizations in making organizational change. It includes methods that redirect or redefine the use of resources, business process, budget allocations or other modes of operation that significantly change a company or organization. The successful management of change is crucial to any organisation in order to survive and succeed in the present highly competitive and continuously evolving business environment. However, theories and approaches to change management currently available to academics and practitioners are often contradictory, mostly lacking empirical evidence and supported by unchallenged hypothesis concerning the nature of contemporary organisational change management. The purpose of this article is, therefore, to provide a review of some of the theories and approaches for managing change in the modern era.*

Keywords**:** Change, Management, Organization, Business, Environment, Theories

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I. Introduction

The increased pace of change over the past ten years has been dramatic. Competition has heated up across the board. To succeed, the organization of the future must serve customers better, create new advantages and survive in bitterly contested markets. To stay competitive, companies must do away with work and processes that don’t add value. This hypercompetition has invalidated the basic assumptions of sustainable markets.

So the ability to change continually and successfully is considered to be essential to any organization’s survival. The need for ongoing change requires an organizational ability to learn on a continual basis in a coordinated and progressive way. Change management is the process of continually renewing an organization’s direction, structure and capabilities to serve the ever-changing needs of external and internal customers. Change is an ever-present feature of organisational life, both at an operational and strategic level. Therefore, there should be no doubt regarding the importance to any organisation of its ability to identify where it needs to be in the future, and how to manage the changes required getting there. Due to the importance of changes in modern era, its management is becoming a highly required managerial skill .

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 organisational change. Since the need for change often is unpredictable, it tends to be reactive, discontinuous, ad hoc and often triggered by a situation of organisational crisis. Although the successful management of change is accepted as a necessity in order to survive and succeed in today’s highly competitive and continuously evolving environment, a failure rate of around 70 percent of all change programmes is initiated. It may be suggested that this poor success rate indicates a fundamental lack of a valid framework of how to implement and manage organisational change as what is currently available to academics and practitioners is a wide range of contradictory and confusing theories and approaches.

HISTORY
1960s

In his work Everett Rogers posited that change must be understood in the context of time, communication channels and its impact on all affected participants. Placing people at the core of change thinking was a fundamental contribution to developing the concept of change management. He proposed the descriptive adopter groups of how people respond to change: Innovators, Early Adopters, Early Majority, Late Majority and Laggards.

1980s

McKinsey & Company consultant Julien Phillips published a change management model in 1982 in the journal Human Resource Management, though it took a decade for his change management peers to catch up with him.

Robert Marshak has since credited the big 6 accounting and consulting firms with adopting the work of early organizational change pioneers, such as Daryl Conner and Don Harrison, thereby contributing to the legitimization of a whole change management industry when they branded their reengineering services as change management in the 1980s.

1990s

In his 1993 book, Managing at the Speed of Change, Daryl Conner coined the term 'burning platform' based on the 1988 North Sea Piper Alpha oil rig fire. He went on to found Conner Partners in 1994, focusing on the human performance and adoption techniques that would help ensure technology innovations were absorbed and adopted as best as possible.

2000s

Linda Ackerman Anderson states in Beyond Change Management that in the late 1980s and early 1990s, top leaders, growing dissatisfied with the failures of creating and implementing changes in a fashion, created the role of the change leader to take responsibility for the human side of the change.The first State of the Change Management Industry report was published in the Consultants News in February 1995.

2010

In Australia, change management is now recognised as a formal vocation through the work of Christina Dean with the Australian government in establishing national competency standards and academic programmes from diploma to masters level. In response to continuing reports of the failure of large-scale top-down plan-driven change programmes innovative change practitioners have been reporting success with applying Lean and Agile principles to the field of change management. The Association of Change Management Professionals (ACMP) announced a new certification to enhance the profession: Certified Change Management Professional (CCMP) in 2016.

II. Reasons for Change

Globalization and constant innovation of technology result in a constantly evolving business environment. Phenomena such as social and mobile adaptability have revolutionized business and the effect of this is an ever-increasing need for change, and therefore change management. The growth in technology also has a secondary effect of increasing the availability and therefore accountability of knowledge. Easily accessible information has resulted in unprecedented scrutiny from stockholders and the media and pressure on management.

With the business environment experiencing so much change, organizations must then learn to become comfortable with change as well. Therefore, the ability to manage and adapt to organizational change is an essential ability required in the workplace today. Yet, major and rapid organizational change is profoundly difficult because the structure, culture, and routines of organizations often reflect a persistent and difficult-to-remove "imprint" of past periods, which are resistant to radical change even as the current environment of the organization changes rapidly.

Due to the growth of technology, modern organizational change is largely motivated by exterior innovations rather than internal factors. When these developments occur, the organizations that adapt quickest create a competitive advantage for themselves, while the companies that refuse to change get left behind. This can result in drastic profit and/or market share losses.

Organizational change directly affects all departments and employees. The entire company must learn how to handle changes to the organization. The effectiveness of change management can have a strong positive or negative impact on employee morale.

CHANGE MODEL

a) John Kotter's 8 Step Process for Leading Change

Dr. John P. Kotter, the Konosuke Matsushita Professor of Leadership, Emeritus, at the Harvard Business School, invented the 8 Step Process for Leading Change. It consists of eight stages:

- Establish a Sense of Urgency
- Create the Guiding Coalition
- Develop a Vision and Strategy
- Communicate the Change Vision

- Empower Employees for Broad-Based Action
- Generate Short-Term Wins
- Consolidate Gains and Produce More Change
- Anchor New Approaches in the Culture

b) Change Management Foundation and Model
The Change Management Foundation is shaped like a pyramid with project management managing technical aspects and people implementing change at the base and leadership setting the direction at the top. The Change Management Model consists of four stages:

- Determine Need for Change
- Prepare & Plan for Change
- Implement the Change
- Sustain the Change

III. Managing the Change Process

Although there are many types of organizational changes, the critical aspect is a company's ability to win the buy-in of their organization's employees on the change. Effectively managing organizational change is a four-step process:

- Recognizing the changes in the broader business environment
- Developing the necessary adjustments for their company's needs
- Training their employees on the appropriate changes
- Winning the support of the employees with the persuasiveness of the appropriate adjustments

As a multi-disciplinary practice that has evolved as a result of scholarly research, organizational change management should begin with a systematic diagnosis of the current situation in order to determine both the need for change and the capability to change. The objectives, content and process of change should all be specified as part of a change management plan.

Change management processes should include creative marketing to enable communication between changing audiences, as well as deep social understanding about leadership styles and group dynamics. As a visible track on transformation projects, organizational change management aligns groups expectations, integrates teams and manages employee-training. It makes use of performance metrics, such as financial results, operational efficiency, leadership commitment, communication effectiveness and the perceived need for change in order to design appropriate strategies, resolve troubled change projects, and avoid change failures.

IV. Factors of Successful Change Management

Successful change management is more likely to occur if the following are included:[

- Define measurable stakeholder aims and create a business case for their achievement (which should be continuously updated)
- Monitor assumptions, risks, dependencies, costs, return on investment, dis-benefits and cultural issues
- Effective communication that informs various stakeholders of the reasons for the change (why?), the benefits of successful implementation (what is in it for us and you) as well as the details of the change (when? where? who is involved? how much will it cost? etc.)
- Devise an effective education, training and/or skills upgrading scheme for the organization
- Counter resistance from the employees of companies and align them to overall strategic direction of the organization
- Provide personal counseling (if required) to alleviate any change-related fears
- Monitoring of the implementation and fine-tuning as required

V. The Four Hard Factors Determining Change Management

If you think about it, the different ways in which organizations combine the four factors create a continuum-from projects that are set up to succeed to those that are set up to fail. At one extreme, a short project led by a skilled, motivated and cohesive team championed by top management and implemented in a department that is receptive to the change and has to put in very little additional effort, is bound to succeed. At the other extreme a long drawn-out project executed by an unenthusiastic team without any top-level sponsors and targeted at a function that dislikes the change and has to do a lot of extra work will fail. Businesses can easily identify change programs at either end of the spectrum, but most initiatives occupy the middle ground where the likelihood of success or failure is difficult to assess. Executives must study the four factors carefully to figure out if their change programs will fly or die.

VI. Duration

Companies make the mistake of worrying mostly about the time it will take to implement change programs. They assume that the longer an initiative carries on, the more likely it is to fail the early impetus will peter out windows of opportunity will close, objectives will be forgotten, key supporters will leave or lose their enthusiasm and problems will accumulate. However, contrary to popular perception, our studies show that a long project that is reviewed frequently is more likely to succeed than a short project that isn't reviewed frequently. Thus, the time between reviews is more critical for success than a project's life span.

Companies should formally review transformation projects at least bimonthly since, in our experience, the probability that change initiatives will run into trouble rises exponentially when the time between reviews exceeds eight weeks. Whether reviews should be scheduled even more frequently depends on how long executives feel the project can carry on without going off track. Complex projects should be reviewed fortnightly more familiar or straightforward initiatives can be assessed every six to eight weeks.

Scheduling milestones and assessing their impact are the best way by which executives can review the execution of projects, identify gaps and spot new risks. The most effective milestones are those that describe major actions or achievements rather than day-to-day activities. They must enable senior executives and project sponsors to confirm that the project has made progress since the last review took place. Good milestones encompass a number of tasks that teams must complete. For example, describing a particular milestone as "Consultations with Stakeholders Completed" is more effective than "Consult Stakeholders" because it represents an achievement and shows that the project has made headway. Moreover, it suggests that several activities were completed identifying stakeholders, assessing their needs, and talking to them about the project. When a milestone looks as though it won't be reached on time, the project team must try to understand why, take corrective actions, and learn from the experience to prevent problems from recurring.

Review of such a milestone what we refer to as a "learning milestone" isn't an imprompt assessment of the Monday-morning kind. It should be a formal occasion during which senior-management sponsors and the project team evaluate the latter's performance on all the dimensions that have a bearing on success and failure. The team must provide a concise report of its progress, and members and sponsors must check if the team is on track to complete, or has finished all the tasks to deliver, the milestone. They should also determine whether achieving the milestone has had the desired effect on the company; discuss the problems the team faced in reaching the milestone; and determine how that accomplishment will affect the next phase of the project. Sponsors and team members must have the power to address weaknesses. When necessary, they should alter processes, agree to push for more or different resources, or suggest a new direction. At these meetings, senior executives must pay special attention to the dynamics within teams, changes in the organization's perceptions about the initiative, and communications from the top.

VII. Integrity

By performance integrity, we mean the extent to which companies can rely on teams of managers, supervisors and staff to execute change projects successfully. In a perfect world, every team would be flawless, but no business has enough great people to ensure that. Besides, senior executives are often reluctant to allow star performers to join change efforts because regular work can suffer. But since the success of change programs depends on the quality of teams, companies must free up the best staff while making sure that day-to-day operations don't falter. In companies that have succeeded in implementing change programs, we find that employees go the extra mile to ensure their day-to-day work gets done.

Since project teams handle a wide range of activities, resources, pressures, external stimuli, and unforeseen obstacles, they must be cohesive and well led. It's not enough for senior executives to ask people at the watercooler if a project team is doing well; they must clarify members' roles, commitments, and accountability. They must choose the team leader and most important, work out the team's composition.

Smart executive sponsors, we find, are very inclusive when picking teams. They identify talent by soliciting names from key colleagues, including human resource managers by circulating criteria they have drawn up and by looking for top performers in all functions. While they accept volunteers, they take care not to choose only supporters of the change initiative. Senior executives personally interview people so that they can construct the right portfolio of skills, knowledge and social networks. They also decide if potential team members should commit all their time to the project if not, they must ask them to allocate specific days or times of the day to the initiative. Top management makes public the parameters on which it will judge the team's performance and how that evaluation fits into the company's regular appraisal process. Once the project gets under way, sponsors must measure the cohesion of teams by administering confidential surveys to solicit members opinions.

Executives often make the mistake of assuming that because someone is a good, well-liked manager, he or she will also make a decent team leader. That sounds reasonable, but effective managers of the status quo aren't necessarily good at changing organizations. Usually, good team leaders have problem-solving skills, are results oriented, are methodical in their approach but tolerate ambiguity, are organizationally savvy, are willing to accept responsibility for decisions, and while being highly motivated, don't crave the limelight. A CEO who successfully led two major transformation projects in the past ten years used these six criteria to quiz senior executives about the caliber of nominees for project teams. The top management team rejected one in three candidates, on average, before finalizing the teams.

VIII. Commitment

Companies must boost the commitment of two different groups of people if they want change projects to take root who are not necessarily those with the top titles. And they must take into account the enthusiasm or often, lack thereof of the people who must deal with the new systems, processes or ways of working.

Top-level commitment is vital to engendering commitment from those at the coal face. If employees don't see that the company's leadership is backing a project, they're unlikely to change. No amount of top-level support is too much. In 1999, when we were working with the CEO of a consumer products company, he told us that he was doing much more than necessary to display his support for a nettlesome project. When we talked to line managers, they said that the CEO had extended very little backing for the project. They felt that if he wanted the project to succeed, he would have to support it more visibly! A rule of thumb: When you feel that you are talking up a change initiative at least three times more than you need to, your managers will feel that you are backing the transformation.

Sometimes, senior executives are reluctant to back initiatives. That's understandable they're often bringing about changes that may negatively affect employees jobs and lives. However, if senior executives do not communicate the need for change, and what it means for employees, they endanger their projects success. In one financial services firm, top management's commitment to a program that would improve cycle times, reduce errors, and slash costs was low because it entailed layoffs. Senior executives found it gut-wrenching to talk about layoffs in an organization that had prided itself on being a place where good people could find lifetime employment. However, the CEO realized that he needed to tackle the thorny issues around the layoffs to get the project implemented on schedule. He tapped a senior company veteran to organize a series of speeches and meetings in order to provide consistent explanations for the layoffs, the timing, the consequences for job security, and so on. He also appointed a well-respected general manager to lead the change program. Those actions reassured employees that the organization would tackle the layoffs in a professional and humane fashion.

Companies often underestimate the role that managers and staff play in transformation efforts. By communicating with them too late or inconsistently, senior executives end up alienating the people who are most affected by the changes. It's surprising how often something senior executives believe is a good thing is seen by staff as a bad thing, or a message that senior executives think is perfectly clear is misunderstood. That usually happens when senior executives articulate subtly different versions of critical messages. For instance, in one company that applied scores for a project showed a low degree of staff commitment. It turned out that these employees had become confused, even distrustful, because one senior manager had said, "Layoffs will not occur," while another had said, "They are not expected to occur."

Organizations also underestimate their ability to build staff support. A simple effort to reach out to employees can turn them into champions of new ideas. For example, in the 1990s, a major American energy producer was unable to get the support of mid-level managers, supervisors, and workers for a productivity improvement program. After trying several times, the company's senior executives decided to hold a series of one-on-one conversations with mid-level managers in a last-ditch effort to win them over. The conversations focused on the program's objectives, its impact on employees, and why the organization might not be able to survive without the changes. Partly because of the straight talk, the initiative gained some momentum. This allowed a project team to demonstrate a series of quick wins, which gave the initiative a new lease on life.

IX. Effort

When companies launch transformation efforts, they frequently don't realize, or know how to deal with the fact, that employees are already busy with their day-to-day responsibilities. According to staffing tables, people in many businesses work 80-plus-hour weeks. If, on top of existing responsibilities, line managers and staff have to deal with changes to their work or to the systems they use, they will resist.

Project teams must calculate how much work employees will have to do beyond their existing responsibilities to change over to new processes. Ideally, no one's workload should increase more than 10%. Go beyond that, and the initiative will probably run into trouble. Resources will become overstretched and compromise either the change program or normal operations. Employee morale will fall, and conflict may arise between teams and line staff. To minimize the dangers, project managers should use a simple metric like the percentage increase in effort the employees who must cope with the new ways feel they must contribute. They should also check if the additional effort they have demanded comes on top of heavy workloads and if employees are likely to resist the project because it will demand more of their scarce time.

Companies must decide whether to take away some of the regular work of employees who will play key roles in the transformation project. Companies can start by ridding these employees of discretionary or nonessential responsibilities. In addition, firms should review all the other projects in the operating plan and assess which ones are critical for the change effort. At one company, the project steering committee delayed or restructured 120 out of 250 subprojects so that some line managers could focus on top-priority projects. Another way to relieve pressure is for the company to bring in temporary workers, like retired managers, to carry out routine activities or to outsource current processes until the changeover is complete. Handing off routine work or delaying projects is costly and time-consuming, so companies need to think through such issues before kicking off transformation efforts.

X. Recommendation Forman Effective Change Management Solve For Simplicity

We live in a complex world and successful change management programmes are no different. Complexity is inevitable but lowers the odds of success. For instance, programme managers often adopt the wrong but far too common approach of outlining plans through a 100-slide presentation or a "book-sized" memo, making them unnecessarily complex, and tough to comprehend.

However, simplicity is not the same as "dumbing down". It is thinking carefully about the core agenda of change. A good yardstick for a simple, well-articulated plan is to check whether it fits the 5x5x5 template five pages, five sentences on each page and five words in each sentence. People can use such simple, yet well thought-out templates to come up with rich thoughts on how they can execute their ideas.

XI. Design for Scale

The scale of operation of a majority of programmes run by the government, companies and non-profit organizations in India is truly massive. Therefore, it is critical to design programmes that can continue to work well as they are scaled up to cover the intended population. Many programmes work well in the pilot stage but require unwieldy managerial support when scaled up. Large- scale programmes need to accommodate multiple approaches rather than one unified, consistent model. Asking critical questions around how would systems operate when 10 million or 100 million citizens start using it, often throws up different answers related to team, data, IT systems, resources and flexibility.

XII. Move Fast and Adapt Design

Experienced change managers do not aim for perfection. Instead of spending six months designing a programme, they "go-to-ground" quickly with well-designed experiments (or prototypes), and incorporate feedback regularly to improve effectiveness. This is quite difficult in most cultures where any departure from the "corporate centre" or "north and south block" script is seen as an act of failure, or worse, deliberate defiance. Leaders must make it known that they expect many experiments to fail. Good change management programmes always take into account possible improvisations throughout the life of the project.

XIII. Use Technology and Data as Force Multipliers

India has the unique advantage of scale but it also represents a significant challenge. Government and business leaders must acknowledge that their personal charisma alone will not solve the problem at hand.

With the advent of cheaper, more powerful digital technologies, it is possible to break down the entire plan into digital workflows. This helps eliminate subjective decisions on what and when to escalate, enabling progressive governments to ensure timely completion of programmes. Technology should also be used to gain greater transparency into what is working and what is not, to be able to collectively remove key stumbling blocks. Modern governments, new-age enterprises and non-profit organizations can also make use of "planet scale" data to make intelligent decisions throughout the programme.

XIV. Drive Frequent Communication

The more important the change, the more it needs to be communicated. In a large- scale change management programme, people need to hear messages 7-10 times before they believe that their organization is serious about any transformation. Often leaders make the classic mistake of believing that an announcement at a company retreat or open house is sufficient. They need to realize that while this is just the beginning, successful execution requires consistent, frequent and multimodal communication. With the help of technology, leaders can drive hyper-customized and frequent communication, sharing timely and specific action-oriented messages through popular digital mediums like "WhatsApp" to motivate team members.

XV. Leadership Matters

Leaders have to be fully behind any change management agenda. Before anyone changes, leaders need to themselves model the behaviours they wish to see in their organization. Mahatma Gandhi had a very perceptive thought about change: “be the change that you wish to see in the world”. This is especially true for leaders. Top leaders must invest time, energy and their own credibility in convincing the middle managers and rest of the organization about transformation programmes.

XVI. Conclusion

We infer and conclude that changes play influencing factor in determining objectives, mission, vision and policy statement of an organization.

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