Unit 209 Information Pack

Understanding Change in

the Workplace

INTRODUCTION

To understand change and therefore to be able to successfully plan and implement change in the workplace, managers need to be aware of the different types of change, the origins of change and the way in which people react to and cope with change.

Change is often necessary and important so that a company remains relevant and continues to deliver viable solutions to a growing customer base. But, while a company and its executives may recognize the need for change management, employees may be resistant since change can be hard and uncomfortable.

A strong awareness of the external environment and understanding the driving forces that affect your organisation is essential for effective short- and long-term planning.

Successfully leading and managing change is not one single skill; it is a range of skills – all of which can be learned. Understanding the business environment, how change will impact on all aspects of it and what will be required to reach the new state is one side. Understanding people, how they react to change and how to coach them successfully through the transition process is the other. It is in applying this mix of skills that leaders bring about lasting, transformational change.

This information pack introduces you to the concept of innovation and change and explores how to implement change within the workplace efficiently and effectively.

GUIDANCE

This document is prepared to break the unit material down into bite size chunks. You will see the learning outcomes above treated in their own sections. Therein you will encounter the following structures;

Purpose	Explains *why* you need to study the current section of material. Quite often learners are put off by material which does not initially seem to be relevant to a topic or profession. Once you understand the importance of new learning or theory you will embrace the concepts more readily.
Theory	Conveys new material to you in a straightforward fashion. To support the treatments in this section you are strongly advised to follow the given hyperlinks, which may be useful documents or applications on the web.
Example	The examples/worked examples are presented in a knowledge-building order. Make sure you follow them all through. If you are feeling confident then you might like to treat an example as a question, in which case cover it up and have a go yourself. Many of the examples given resemble assignment questions which will come your way, so follow them through diligently.
Question	Questions should not be avoided if you are determined to learn. Please do take the time to tackle each of the given questions, in the order in which they are presented. The order is important, as further knowledge and confidence is built upon previous knowledge and confidence. As an Online Learner it is important that the answers to questions are immediately available to you. Contact your Unit Tutor if you need help.
Challenge	You can really cement your new knowledge by undertaking the challenges. A challenge could be to download software and perform an exercise. An alternative challenge might involve a practical activity or other form of research.
Video	Videos on the web can be very useful supplements to your distance learning efforts. Wherever an online video(s) will help you then it will be hyperlinked at the appropriate point.

Contents

Other ways of Defining Change

Other terms used to describe change, include:

Developmental Change

Like incremental change, developmental change involves small changes to processes and procedures that give gradual improvements to ways of working and to give increased levels of performance. Developmental change is a necessity in business and helps maintain the organisation's competitiveness and ultimately its profitability, through gradual and measured improvement.
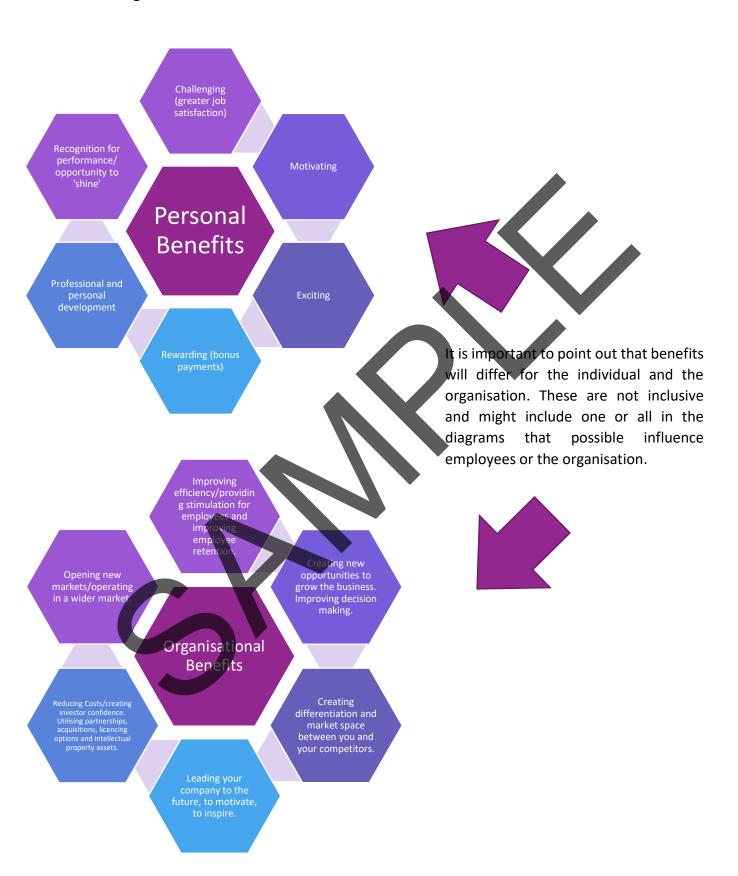
Transitional Change

Transitional change describes the period between movements from a relatively stable state to a new order. The new order will provide a radically different way of doing business. Examples might include restructuring, downsizing, mergers, implementation of new production methodologies or introduction of completely new products and services. High levels of turbulence during the change can induce anxiety and stress in employees and is likely to be uncomfortable for both managers and staff. Transformational Change Akin to metamorphosis, transformational change involves radical change to the organisational culture, is wide reaching and leaves the organisation with totally new ways of operating. Often transformational change and transitional change will be simultaneous. The radical nature of transformational change is usually driven by, for example, the emergence of innovative new technologies, changes in supply of resources, or where new entrants enter markets with additional competitive edge to existing organisations. Examples might include the changes to the wristwatch industry following introduction of digital watches in the 1970/80's or more recently the emergence of China as an industrial powerhouse, with low-cost labour providing the world market with inexpensive products.

Business Turnaround

Business turnaround is a term used to describe a rapid and radical change to save a business that is on a trajectory to failure. Often the alternative would be for the business to be put into liquidation. Business turnarounds usually involve drastic measures to return the business to a viable platform. Cutting costs, redundancies for the workforce, disposal of unnecessary assets, along with refinancing tend to be prominent features of turnaround. Refinancing would usually require a business to be able to demonstrate that it is able to recalibrate the business to deliver significant improvement in performance and results in the future.

Benefits of Change

Challenging (greater job satisfaction)

Recognition for performance/ opportunity to 'shine'

Motivating

Personal Benefits

Professional and personal development

Exciting

Rewarding (bonus payments)

It is important to point out that benefits will differ for the individual and the organisation. These are not inclusive and might include one or all in the diagrams that possible influence employees or the organisation.

Improving efficiency/providing stimulation for employees and improving employee retention.

Opening new markets/operating in a wider market

Creating new opportunities to grow the business. Improving decision making.

Organisational Benefits

Reducing Costs/creating investor confidence. Utilising partnerships, acquisitions, licencing options and intellectual property assets.

Creating differentiation and market space between you and your competitors.

Leading your company to the future, to motivate, to inspire.

In most cases organisations tend to think in terms of tangible benefits when considering proposed change initiatives. The reason for this is simple: a quantifiable return on investment makes the decision to proceed with a change viable or justifiable.

What are the Barriers to Change Management?

Conducting a baseline assessment is an ideal process that will help any organisation to identify potential and actual barriers to change. Barriers will always create a gap in recommended and current practices, eventually having a negative effect on the daily production process of the organisation.

To prevent this from happening, major barriers to change as well as knowing how stay clear of them. Once you know how to solve these barriers, it should be easy to plan and implement change. The most common barriers to change implementation are often the following.

1. Lack of Employee Involvement

This is perhaps the most common barrier to change management. Employees always have the fear of change, and unless they are involved in the change process, it is highly likely that even the most loyal member of your employees will resist the change.

 The biggest mistake some organisations make is failure to involve employees in the change process. This spikes fear of the unknown, lack of desire to embrace a new culture and eventually a complete barrier to the change.

Your efforts to introduce change can only succeed when you get employees involved in the change process as much as possible. Getting the employees involved means listening to their opinion, accounting for their output and assuring them that the change is for the good of all in the organisation including them.

Providing relevant, sufficient resources to drive them towards change will be a necessary thing to do, so that they are comfortable and ready to adjust to the new development within the organisation.

2. Lack of Effective Communication Strategy

Some organisations have no effective communication strategy. In fact, some top leaders always assume that once they announce the change, people will adjust and be ready to get started with the new development. This is the silliest way to introduce change, hence forceful resistance to the change.