

## **Chapter Twenty Three**

### **Change and Innovation**

#### **Objectives.**

**To develop an understanding of:**

- **Organizational change**
- **Targets of organizational change**
- **Types of changes in organizations**
- **Change Management**
- **Learning principles in change management**
- **Managing planned change**
- **Change agents**
- **Model for managing organizational change**
  - **Forces for change**
  - **Resistance to organizational change**
  - **Diagnosis of problem**
  - **Selection of appropriate methods**
    - **Structural approaches**
    - **Task and Technological approaches**
    - **Human asset approaches**
    - **Multifaceted approaches**
  - **Impediments and Limiting conditions**
  - **Implementing the method**
  - **Evaluating program effectiveness**
- **Contemporary Change issues for today's managers**
  - **Stimulating Innovation**
  - **Creating a learning organization**
  - **Understanding the relationship of Culture and change**

## **Introduction**

**(Reference: Organizational Theory, Design and Change, 5<sup>th</sup> edition, Gareth R Jones, Pearson Education)**

### ***What is Organizational Change?***

Organizational change is the process by which organizations move from their present state to some desired future state to increase their effectiveness. Goal is to find improved ways of using resources and capabilities in order to increase an organization's ability to create value.

***Targets of change include improving effectiveness at four different levels:***

#### **■ *Human Resource changes include:***

- *Investment in training and development*
- *Socializing employees into the organizational culture*
- *Changing organizational norms and values to motivate a multicultural and diverse workforce*
- *Promotion and reward systems*
- *Changing the composition of the top- management team*

#### **■ *Functional Resources changes Include:***

- *Transferring resources to the functions where the most value can be created in response to environmental change*
- *An organization can improve the value that its functions create by changing its structure, culture, and technology*

#### **■ *Technological capabilities changes include:***

- *Efforts intended to give an organization the capacity to change itself in order to exploit market opportunities*
- *Adoption and use of new technologies*
- *Development of new products/ technologies and the changing of existing one's*

- *Technological capabilities are a core competence*
- **Organizational capabilities changes include:**
  - *Changing organizational design*
  - *Culture and structure*
  - *Changing strategy*
  - *Changes that permeate entire organization*

### **Types of Change in Organizations**

- **Evolutionary change:** *change that is gradual, incremental, and narrowly focused. It involves continuous progression, maintaining equilibrium, affecting parts of organization, it is brought through normal structure and management process and new technology and results in product improvement.*
- **Revolutionary change:** *change that is sudden, drastic, and broadly focused. It involves frame breaking burst, reaching new equilibrium, transforming entire organization, it is brought through creating new structure and management and breakthrough technology leading to new product development which create new market.*

### **Developments in Evolutionary Change**

- **Socio-technical systems theory:** *a theory that proposes the importance of changing role and task or technical relationships to increase organizational effectiveness*
- **Total quality management (TQM):** *a technique developed by W. Edwards Deming to continuously improve the effectiveness of flexible work teams*
  - **Quality circles:** *groups of workers who meet regularly to discuss the way work is performed in order to find new ways to increase performance*
- **Flexible workers and flexible work teams:** *a group of workers who assume responsibility for performing all the operations necessary for completing a specified stage in the manufacturing process*
  - *Flexible work teams also assume responsibility for TQM efforts.*
  - *Managers' role is to facilitate the team activities.*

### **Developments in Revolutionary Change**

- ***Reengineering: involves rethinking and redesigning business processes to increase organizational effectiveness. Instead of focusing on an organization's functions, the managers of a reengineered organization focus on business processes. Business process is an activity which cuts across functional boundaries and which is vital to the quick delivery of goods and services, or that promotes high quality or low costs***

#### **Guidelines for Reengineering**

- ***Three guidelines for performing reengineering successfully are:***
  1. ***Organize around outcomes, not tasks***
  2. ***Have those who use the output of the process perform the process***
  3. ***Decentralize decision making to the point where the decision is made***
- ***E-engineering: refers to companies' attempts to use information systems to improve their performance***
- ***Restructuring: changing task and authority relationships and redesigning organizational structure and culture to improve organizational effectiveness***
- ***Downsizing: the process of streamlining the organizational hierarchy and laying off managers and workers to reduce bureaucratic costs***
- ***Innovation: the process by which organizations use their skills and resources:***
  - ***To develop new goods and services OR***
  - ***To develop new production and operating systems so that they can better respond to the needs of their customers***

#### **Change management**

Change is most likely the most common occurrence in business today. Successful managers must accept the responsibility for managing change. Managers can undertake organizational change in a variety of ways. Different authors label these approaches differently, however, most authors identify the following approaches:

1. **Managing Change through power—** It implies the use of coercion and often-manifest autocratic leadership, which contemporary organizations typically do not encourage.
2. **Managing Change through reason—** It is based on the dissemination of information prior to the intended change. Underlying assumption is that reason alone will prevail and participants will make the rational choice.

However, individuals have various personal motives and needs, and groups function as social units, therefore, rational choices may become clouded.

3. Managing Change through reeducation—a middle ground approach this is understood to be the essence of organizational development. It implies a normative, reeducation strategy intended to affect systems of beliefs, values and attitudes.

### **Learning Principles in Change management**

To understand how change is brought about, one must understand how learning takes place. The principles of learning provide this understanding (Kurt Lewin):

1. **Unfreezing Old Learning-** Unfreezing-Change efforts to overcome the pressures of both individual resistance and group conformity.it involves push and pull movements between the driving forces and the restraining forces. Driving Force- Forces that direct behavior away from the status quo and Restraining Forces-Forces that hinder movement from the existing equilibrium.When driving forces overcome restraining forces there is unfreezing of status quo.It deals directly with resistance to change. Individuals may not accept that change is necessary

The manager must motivate individuals to accept and implement change.

2. **Movement to New Learning**  
It requires training, demonstration and empowerment. The result of these three actions is that employees take on behaviors they would not in the past.

3. **Refreezing the Learned Behavior-** Stabilizing a change intervention by balancing driving and restraining forces.It requires the application of reinforcement and feedback. It may require imparting punishment. Management must ensure that learning received in training is transferred to the workplace.

### **Managing Planned Change**

Planned Changes are activities that are intentional and goal oriented.

#### ***Goals of Planned Change***

Improving the ability of the organization to adapt to changes in its environment

Changing the behavior of individuals and groups in the organization

### **Kotter's Eight-Step Plan for Implementing Change**

(Reference: Organizational Behaviour, Robbins, Judge and Sanghi, 12<sup>th</sup> edition, p 721, Pearson education)

**The eight steps are as follows:**

1. Establishing a sense of urgency by creating a compelling reason for why change is needed.
2. Forming a coalition with enough power to lead the change.
3. Creating a new vision to direct the change and strategies for achieving the vision.
4. Communicating the vision throughout the organization.
5. Empowering others to act on the vision by removing barriers to change and encouraging risk taking and creative problem solving.
6. Planning for, creating, and rewarding short-term “wins” that move the organization toward the new vision.
7. Consolidating improvements, reassess changes, and make necessary adjustments in the new programs.
8. Reinforcing the changes by demonstrating the relationship between new behaviors and organizational success.

### **Change Agents: Forms of Intervention**

Change Agents are persons who act as catalysts and assume the responsibility for managing change activities. A change agent can bring a new viewpoint, which the manager has been unable to see, to a situation

#### ***External Change Agents***

1. Temporary Employees who are engaged with the organization only for the duration of the change process.
2. May be a university professor or private consultant who is trained in the behavioral sciences.
3. Typically has graduate level learning in this area.
4. Provides the perspective needed to facilitate the change process.
5. Are at times not trusted since employees may believe the individual does not have a full understanding of the issues and nuances of the situation.

#### ***Internal Change Agent***

1. An individual who works for the organization who has the necessary information to understand the problem being addressed.

2. Often a newly appointed manager, who is given the particular assignment with the understanding that change is imminent to improve upon the current negative situation.
3. Progress can be seen when barriers have begun to be removed.
4. May be hindered in effectiveness since some employees may believe the internal change agent has a bias toward one or more divisions, which unfairly influences decision making.

#### ***External-Internal Change Agents***

1. A team approach used to intervene and develop programs.
2. Has the benefits of both the internal and external change agents.
1. Is somewhat rare, but seems to have the greatest change for success.

#### **The Politics of Change**

- Impetus for change is likely to come from outside change agents.
- Internal change agents are most threatened by their loss of status in the organization.
- Long-time power holders tend to implement only incremental change.
- The outcomes of power struggles in the organization will determine the speed and quality of change.

#### **A Model for Managing Organizational Change**

##### **Key Management Responsibilities**

1. Assumes forces for change continually act on the organization.
2. The manager must sort out the information that reflects the magnitude of change forces to recognize when change is needed.
3. When malfunction is recognized, managers must diagnose the problem and identify relevant alternative techniques.
4. The manager must implement change and monitor results.

#### **Steps for Managing Organizational Change**

##### **Step one: Understanding Forces for Change**

##### **Lewin's Three-Step Change Model**

Argues that two sets of opposing forces within an organization determine how change will take place

- Forces for change and forces making organizations resistant to change
- When forces for and against change are equal, the organization is in a state of inertia
- To change an organization, managers must increase forces for change and/or decrease forces resisting change

### ***Forces for and Resistances to Change***

**(Reference: Organizational Theory, Design and Change, 5<sup>th</sup> edition, Gareth R Jones, Pearson Education)**

### ***Forces for Change***

**External forces:** those beyond management's control

1. Three types of external changes:
  - a. **Marketplace change**—e.g., competitors' actions (introducing new products, boosting advertising, cutting prices, etc.)
  - b. **Technological changes**—especially in production technology.
  - c. **Social and political changes**—e.g., changes in the business-government relationship, international markets, etc.

***Competitive forces: organization must make changes to attempt to match or exceed its competitors on at least one of the following dimensions:***

- ***Efficiency***
- ***Quality***
- ***Innovation***
- ***Customer responsiveness***

***Economic, political, and global forces: affect organizations by forcing them to change how and where they produce goods and services***

- ***Need to change organizational structure to:***
  - ***Allow expansion in foreign market***
  - ***Adapt in a variety of national cultures***
  - ***Need to help expatriates adapt to the cultural values of where they are located***



***Demographic and social forces: changes in the composition of the workforce and the increasing diversity of employees has presented many challenges for organizations***

- ***Increased need to manage diversity***

***Ethical forces: important for an organization to take steps to promote ethical behavior***

- ***Creation of ethics officer position***
- ***Encourage employees to report unethical behaviors***

Boundary functions: Organizational methods for bridging the gap between external forces and the organization's units. **Boundary roles** must sense changes in the external environment. (e.g., marketing research, labor relations, personnel recruiting).

**Internal forces:** occur within the organization. Can be traced to:

1. **Process problems**—e.g., breakdowns in decision-making and communication.
2. **Behavioral problems**—symptoms include high absenteeism/turnover, low morale.

### ***Resistance to Organizational Change***

Under the situation when change is best for the organization, there is fear, anxiety and resistance. It lowers an organization's effectiveness and reduces its chances of survival.

Forms of Resistance to Change

- Overt and immediate
  - Voicing complaints, engaging in job actions
- Implicit and deferred
  - Loss of employee loyalty and motivation, increased errors or mistakes, increased absenteeism

- ***Resistances to change at different levels***

**Sources of Individual Resistance to Change**

- ***Cognitive biases***
- ***Uncertainty and insecurity***

- *Selective perception and retention*
- *Habit*

#### Sources of Group-level resistance to change

- *Group norms*
- *Group cohesiveness*
- *Groupthink and escalation of commitment*

#### Sources of Functional level resistance to Change

- *Differences in subunit orientation*
- *Power and conflict*

#### Sources of Organizational Resistance to Change

- *Structure*
- *Culture*
- *Strategy*

#### Overcoming Resistance to Change

##### *Strategies for Overcoming Resistance to Change*

- There must be a reason to change.
- Involve more people in the total plan.
- Communicate on an ongoing basis.
- Create a learning organization
  - Open discussions
  - Clear vision
  - Strong emphasis on interdependence
  - Clear goals and concept of performance expectations
  - Commitment to learning, improving and personal growth
  - Concern for measurable results whenever possible
  - A curiosity to try new methods, experiment and accept failure

##### *Tactics for dealing with resistance to change:*

- Education and communication

- Participation
- Facilitation and support
- Negotiation
- Manipulation and cooptation
- Selecting people who accept change
- Coercion

### **Step Two: Diagnosis of a Problem**

Management must recognize the problem before deciding whether to act.

Management should ask:

1. What is the problem distinct from its symptoms?
2. What must be changed to resolve the problem?
3. What outcomes are expected from the change and how will the outcomes be measured?

Data collection methods-Questionnaires, direct observation, key interviews, workshops, documents and record observations.

### **Step Three: Selection of Appropriate Methods**

#### **A) Structural approaches**

Managerial actions that attempt to improve effectiveness by introducing change through formal policies and procedures. It may involve actual change in the organizational structure; sometimes does not.

#### ***Reengineering***

The objective of reengineering is to create processes, systems, and structure that meet customer needs efficiently and in an economically sound manner. Reengineering consists of three strategies: streamlining, integrating, and transforming.

Streamlining breaks down the core process into segments to eliminate waste, delays, and slow response time.

Integrating is the unification of systems, processes, or work-related activities across functional lines. Transforming involves benchmarking to locate 'best in class' organizations.

### ***Management by Objectives***

Management by Objectives encourages managers to participate in establishing objectives for themselves and their units. It requires participant ability to define and attain objectives. MBO needs a superior and subordinate who: i. Meet and discuss objectives that contribute to overall goals. ii. Jointly establish attainable objectives for the subordinate. iii. Meet at a predetermined later date to evaluate the subordinate's progress to achieving the objectives.

MBO's intended effects—improved subordinate performance, satisfaction.

### **B)Task and technological approaches.**

Focus directly on the work performed. Unique aspects of these approaches are: a. Task approaches emphasize job design changes. b. Technological approaches emphasize changes in the flow of work. It requires emphasis on training to provide skills and knowledge to handle changes in jobs, workflow, or equipment.

On-the-job training focuses on teaching specific skills and techniques needed to master a job.

Off-the-job training: i. Gets executives away from job pressures and "part-line" thinking.

- ii. Challenges executives and enhances their motivation for self-development.
- iii. Provides resource people and resource material. iv. Much of what is learned may not be carried back to the job.

### **C)Human asset approaches.**

Methods designed to result in less specific and much broader outcomes of helping individuals learn and grow professionally. It helps to prepare people for ongoing change and learning. Peter Senge's "learning organization" is based on this philosophy. Learning organizations value continuing individual and collective learning. To increase effectiveness, organizational members must be open with other, understand how the company really works, develop plans all can agree to, and work together to achieve those plans.

A well-known method in the human asset approach is **Team building**. Purpose of this approach is to improve work group performance via :1)Setting goals and priorities.2)Analyzing how the group gets its work done.3)Examining group norms and processes for communicating and decision-making. 4)Examining interpersonal relationships in the group. Process involves diagnostic meetings (where members exchange perceptions of group problems) and developing an action plan acceptable to all. It is often used with new groups. Research support on effectiveness is mixed, but mostly positive.

**Ethics training**—methods vary, but most have one or both of these objectives: to increase awareness or to focus on specific ethical issues. Developing employee awareness of business ethics seeks to: 1) Enable recognition of ethical components of a decision. 2) Legitimize ethics in decision-making processes. 3) Avoid variability caused by lack of awareness. 4) Avoid confusions as to who is responsible for misdeeds. 5) Provide decision-making frameworks for analyzing ethical choices.

Focusing on specific ethical issues with which the company may come in contact. Ethics training is so new that it is difficult to measure its effectiveness.

**Mentorship programs**—using individuals who serve as role models and "teachers" for new organization members. It is frequently used in organizations. "Mentorship" is old, but formalizing such relationships is new. Positive benefits from mentoring programs: 1) Early identification of talent. 2) Sensing by mentors of employee attitudes and morale. 3) Transmission of informal expectations (culture).

Important reminders about mentoring:

1) Formalized mentor-mentee relationships should be voluntary for both parties. 2) Not everyone is suited to being a mentor. 3) Not everything passed from mentor to mentee will be factually correct or desirable.

**Introspection development**—encouraging employees to take time to reflect. Goals: 1) Developing objectivity. 2) Learning. 3) Improving self-confidence. 4) Increasing sense of personal responsibility and willingness to look internally rather than projecting blame externally. 5) Increasing tolerance for ambiguity and paradox. 6) Encouraging action taking. 7) Achieving a balance in life. 8) Opening an individual's access to creativity and intuition. 9) Achieving **egolessness** or the ability to transcend selfish concerns.

Research: too few programs and too few numbers to draw conclusions regarding the efficacy of the approach.

**D) Multifaceted approaches**—Combines techniques from different categories.

#### **i) Organizational Development (OD)**

**A collection of planned interventions, built on humanistic-democratic values, that seeks to improve organizational effectiveness and employee well-being. Organizational development (OD) is a series of techniques and methods that managers can use in their action research program to increase the adaptability of their organization**

- **Goal is to improve organizational effectiveness and to help people in organizations reach their potential and realize their goals and objectives**
- **Can be used to unfreeze, change, and refreeze attitudes and behaviors**

## **OD Values**

- 1. Respect for people**
- 2. Trust and support**
- 3. Power equalization**
- 4. Confrontation**
- 5. Participation**

## **Organizational Development Techniques**

- **OD techniques to deal with resistance to change**
  - **Education and communication:** inform workers about change and how they will be affected
  - **Participation and empowerment:** involve workers in change
  - **Facilitation:** help employees with change
  - **Bargaining and negotiation**
  - **Manipulation:** change the situation to secure acceptance
  - **Coercion:** force workers to accept change
- **OD techniques to promote change**
- ***Counseling:*** help people understand how their perception of the situation may not be right
- **Sensitivity training:** intense counseling in which group members, aided by a facilitator, learn how others perceive them and may learn how to deal more sensitively with other
- **Process consultation:** an OD technique in which a facilitator works closely with a manager on the job to help the manager improve his or her interactions with other group members
- **Team building:** an OD technique in which a facilitator first observes the interactions of group members and then helps them become aware of ways to improve their work interactions
- **Intergroup training:** an OD technique that uses team building to improve the work interactions of different functions or divisions
- **Organizational mirroring:** an OD technique in which a facilitator helps two interdependent groups explore their perceptions and relations in order to improve their work interactions
- **Total organizational interventions**

- **Organizational confrontation meeting:** an OD technique that brings together all of the managers of an organization to meet to confront the issue of whether the organization is effectively meeting its goals.

(Reference: Organizational Behaviour, Robbins, Judge and Sanghi, 12<sup>th</sup> edition, p 723-726, Pearson education)

### **Sensitivity Training**

Training groups (T-groups) that seek to change behavior through unstructured group interaction

Provides increased awareness of others and self

Increases empathy with others, improves listening skills, greater openness, and increased tolerance for others

### **Survey Feedback Approach**

The use of questionnaires to identify discrepancies among member perceptions; discussion follows and remedies are suggested

### **Process Consultation (PC)**

A consultant gives a client insights into what is going on around the client, within the client, and between the client and other people; identifies processes that need improvement.

### **Team Building**

High interaction among team members to increase trust and openness

### **Team Building Activities**

- Goal and priority setting
- Developing interpersonal relations
- Role analysis to each member's role and responsibilities
- Team process analysis

### **Intergroup Development**

OD efforts to change the attitudes, stereotypes, and perceptions that groups have of each other

### **Intergroup Problem Solving:**

- Groups independently develop lists of perceptions
- Share and discuss lists

- Look for causes of misperceptions
- Work to develop integrative solutions

### **Appreciative Inquiry**

Seeks to identify the unique qualities and special strengths of an organization, which can then be built on to improve performance

Appreciative Inquiry (AI):

- Discovery: Recalling the strengths of the organization
- Dreaming: Speculation on the future of the organization
- Design: Finding a common vision
- Destiny: Deciding how to fulfill the dream

### **Total quality management (TQM) is most popular example.**

It is a philosophy and system of management. It uses statistical process control and group problem-solving processes. It emphasizes high standards for quality and continuous improvement.

Spender's description of TQM: 1)Goal: establish quality as a dominant priority.2) Quality defined: satisfying the customer.3)Nature of the environment: TQM changes the boundaries between the organization and its environment.4) Role of management: create a system that can produce quality results; managers are responsible for poor results.5)Role of employees: empowered to make decisions and take steps to improve quality. 6)Structural rationality: horizontal processes that start with suppliers and end with customers; teams facilitate task accomplishment.7)Philosophy toward change: change, continuous improvement, and learning are necessary.

TQM is one of the most comprehensive and far-reaching approaches to improving effectiveness.

### **ii)Action Research**

**A change process based on systematic collection of data and then selection of a change action based on what the analyzed data indicates. Action research is a strategy for generating and acquiring knowledge that managers can use to define an organization's desired future state**

- Used to plan a change program that allows the organization to reach that state
- Helps in the unfreezing, changing, and refreezing process



## **Process steps: Five Steps in Action Research**

### **1. Diagnosing the organization**

- Recognize problems and need to solve problems

### **2. Determining the desired future state**

### **3. Implementing action is a Three-step process**

- 1) Managers need to identify possible impediments to change.
- 2) Deciding who will be responsible for actually making the changes and controlling the change process
  1. External change agents: people who are outside consultants who are experts in managing change
  2. Internal change agents: managers from within the organization who are knowledgeable about the situation to be changed
- 3) Deciding which specific change strategy will most effectively unfreeze, change, and refreeze the organization
  1. Top-down change: change that is implemented by managers at a high level in the organization
  2. Bottom-up change: change that is implemented by employees at low levels in the organization and gradually rises until it is felt throughout the organization

**4.Evaluating the action:** evaluating the action that has been taken and assessing the degree to which the changes have accomplished the desired objectives

**5.Institutionalizing action research-**Members at all levels must be rewarded for their efforts.

### **Action research benefits:**

Problem-focused rather than solution-centered

Heavy employee involvement reduces resistance to change

### **Step Four: Impediments and Limiting Conditions**

Three primary influences on change program outcomes.

1. **Leadership climate**—the nature of the work environment resulting from superiors' leadership style and administrative practices. Change program success requires its support.
2. **Formal organization**—includes top management policies and philosophy, organizational structure, control systems and legal precedents. Must be compatible with proposed change.
3. **Organizational culture**—impact on the environment resulting from group norms, values, and informal activities. Must be compatible with change effort.

### **Step Five:Implementing the Method**

Stages of commitment to change will influence the implementation of change.

The different stages of commitment to change with the passage of time and increasing support of the employees in ascending order are:

- (1)Preparation: involving initial contact and awareness generation
- (2)Acceptance: involves understanding and decision to implement
- (3)Commitment: involves installation and finally institutionalization.

**The level of satisfaction/dissatisfaction with the present situation and perceived personal risk for change will determine the readiness for change . When the level of dissatisfaction is high and personal risk is low then there is high readiness for change.**

**The readiness for change also influences the implementation procedure.**

### **Implementation process**

- A. **Timing**—when to implement.
  1. Should consider the organization's operating cycle and amount of groundwork that precedes the program.
  2. Unless immediately required, implementation should not conflict with daily operations.
- B. **Scope**—selecting the scale of change. Programs usually are implemented on a small scale in a few departments and evaluated before large-scale implementation.

### **Step Six:Evaluating Program Effectiveness**

Steps of evaluative research:

1. Determining program objectives.
2. Describing required actions to achieve objectives.

3. Establishing baseline points against which changes can be compared.
4. Controlling extraneous factors.
5. Detecting unanticipated consequences.

It is important also to determine the extent to which a program or other change effort achieved the desired results and to understand how change contributed to the results. Change programs require resources; provisions must be made to evaluate programs in terms of expenditures and results.

**Contemporary Change Issues for Today's Managers**(Reference: Organizational Behaviour, Robbins, Judge and Sanghi, 12<sup>th</sup> edition, p 727-732,Pearson education)

### ***Stimulating Innovation***

Innovation is a new idea applied to initiating or improving a product, process, or service

Sources of Innovation:

- Structural variables
  - Organic structures
  - Long-tenured management
  - Slack resources
  - Inter-unit communication
- Organization's culture
- Human resources

**Idea Champions** are Individuals who take an innovation and actively and enthusiastically promote the idea, build support, overcome resistance, and ensure that the idea is implemented

### ***Creating a Learning Organization***

**Learning Organization** is an organization that has developed the continuous capacity to adapt and change

#### **Characteristics**

1. **Holds a shared vision**
2. **Discards old ways of thinking**
3. **Views organization as system of relationships**

**4. Communicates openly**

**5. Works together to achieve shared vision**

*Source: Based on P. M. Senge, *The Fifth Discipline* (New York: Doubleday, 1990).*

### **Single-Loop Learning**

Errors are corrected using past routines and present policies.

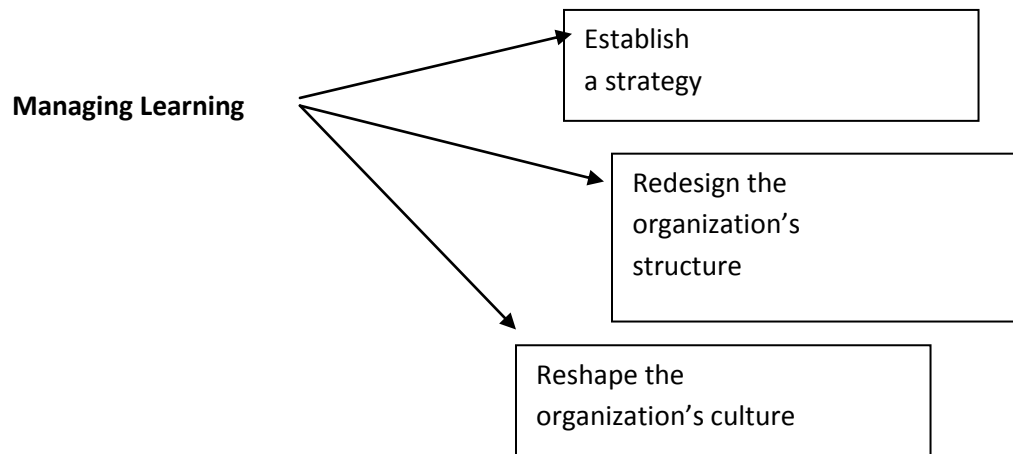
### **Double-Loop Learning**

Errors are corrected by modifying the organization's objectives, policies, and standard routines.

### **Fundamental Problems in Traditional Organizations:**

- Fragmentation based on specialization
- Overemphasis on competition
- Reactiveness that misdirects attention to problem-solving rather than creation

### **Managing a Learning Organization**



## **Managing Change: It's Culture-Bound**

Questions for culture-bound organizations:

1. Do people believe change is even possible?
2. How long will it take to bring about change in the organization?
3. Is resistance to change greater in this organization due to the culture of the society in which it operates?
4. How will the societal culture affect efforts to implement change?
5. How will idea champions in this organization go about gathering support for innovation efforts?

## **Questions**

**What is Organizational change? What are the targets of organizational change?**

**Discuss in details the types of changes in organizations with special emphasis on reengineering**

**What are the different approaches to Change Management? In this connection discuss the Learning principles in change management**

**What is Planned change? Discuss Kotter's 8 steps of Managing planned change**

**What are the different types of Change agents? Who is more effective in bringing in change- internal or external change agents? Give your views.**

**Describe a model for managing organizational change. What are the Forces for and against organizational change? How do you overcome Resistance to organizational change?**

**Discuss appropriate methods of organizational change under (a) Structural approaches (b) Task and Technological approaches (c) Human asset approaches (d) Multifaceted approaches. Which approach do you think is best and why?**

**What are the Impediments and Limiting conditions of change management? Discuss the steps involved in implementing the method. Do you think it is necessary to evaluate program effectiveness? Justify.**

**Write short notes on (a) Stimulating Innovation (b) Creating a learning organization (c) Relationship of Culture and change.**

