

# ORGANIZATIONAL CHANGE



## Change Up or Get Moved Out

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# Organizational Change Leadership

“We know that leadership is very much related to change. As the pace of change accelerates, there is naturally a greater need for effective leadership.”



- John P. Kotter  
Harvard Business School



# Change & Change Readiness

- *Change*: “A complex process, characterized by intended and unintended consequences that have the potential to disrupt the life of an organization” (Appelbaum et al., 2008, p. 17).
- *Change Readiness*: “An organizational member’s belief, attitude, and intention regarding the extent to which changes are needed and the organization’s capacity to successfully make the change” (Armenakis, Harris, & Mossholder, 1993).

# The Problem with Change

- Organizational change initiatives fail 2/3 of the time
- The impact of change efforts can be costly!



# Organizational Change is Costly

- The Impact of Not Changing can be Costly
- Sunk Costs
- The 4Ps & Project Mgmt
- Speed of Adoption



# Reasons for Change

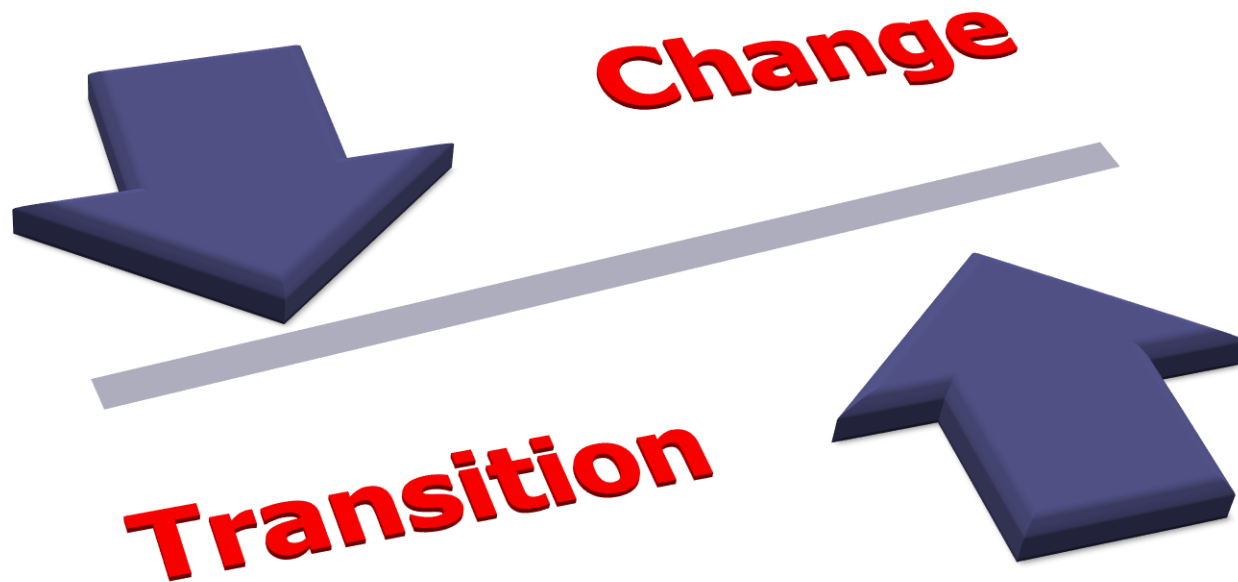
- MARKETPLACE CHANGES
- COMPETITORS
- PRODUCT CHANGES
- TECHNOLOGY
- MERGERS & ACQUISITIONS
- RE-ORGANIZATIONS
- LEADERSHIP
- SYSTEMS
- EFFICIENCIES

# VISION





# What is the difference?



# Transition:

*The Human Side of Change*

## STAGES OF TRANSITION



### **Ending**

*letting go of the old*

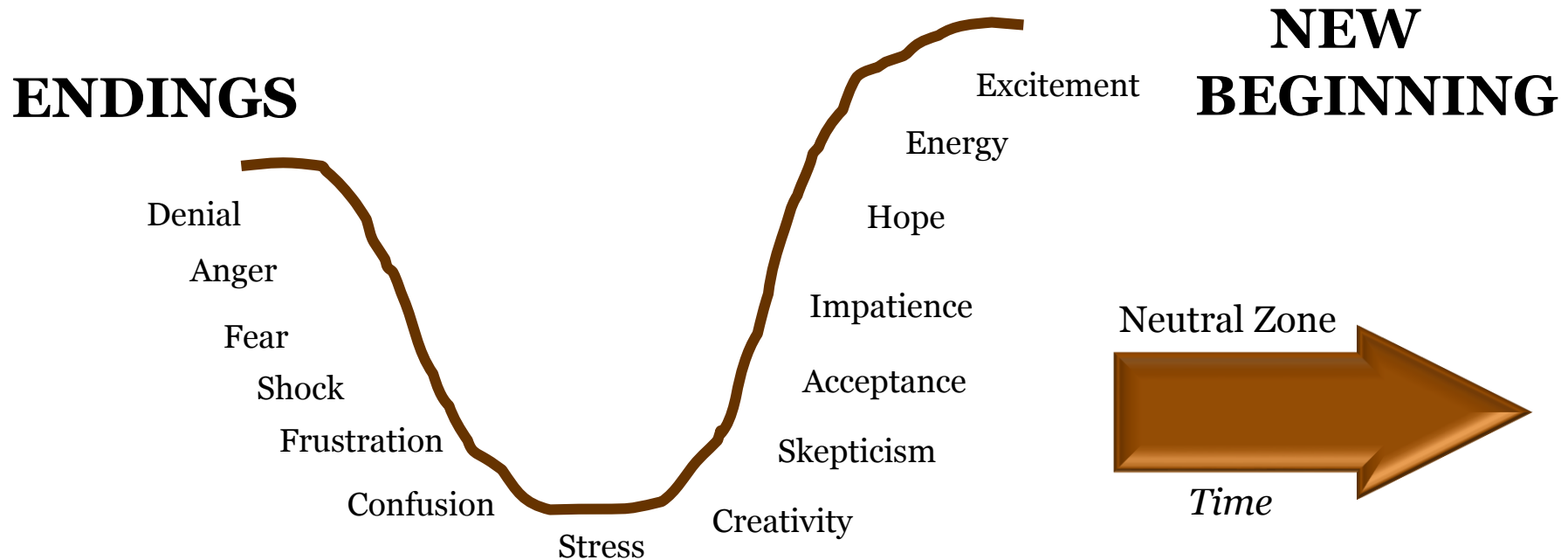
### **Neutral Zone**

*between the ending  
and new beginning*

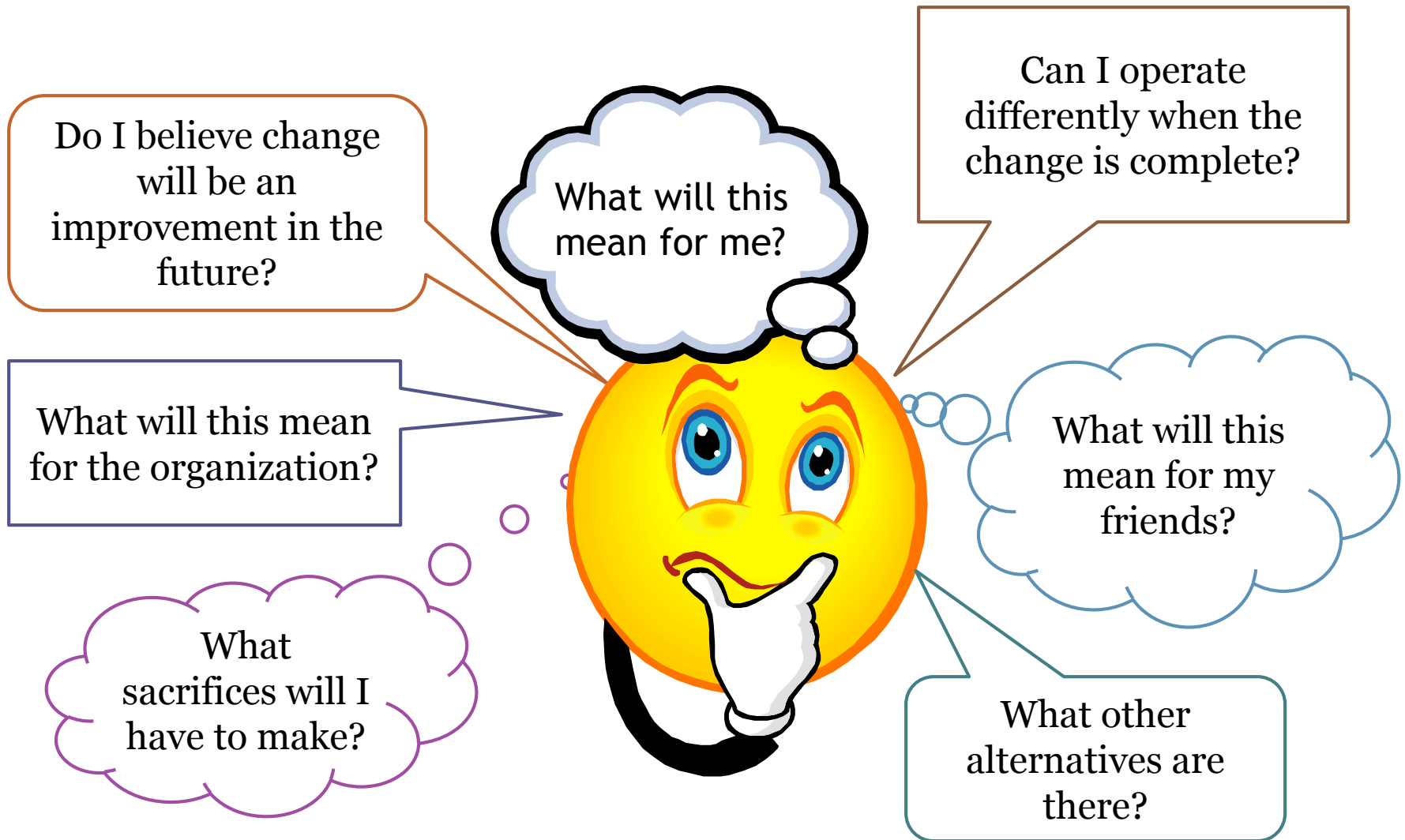
### **New Beginning**

*new status quo*

# Reactions to Transition

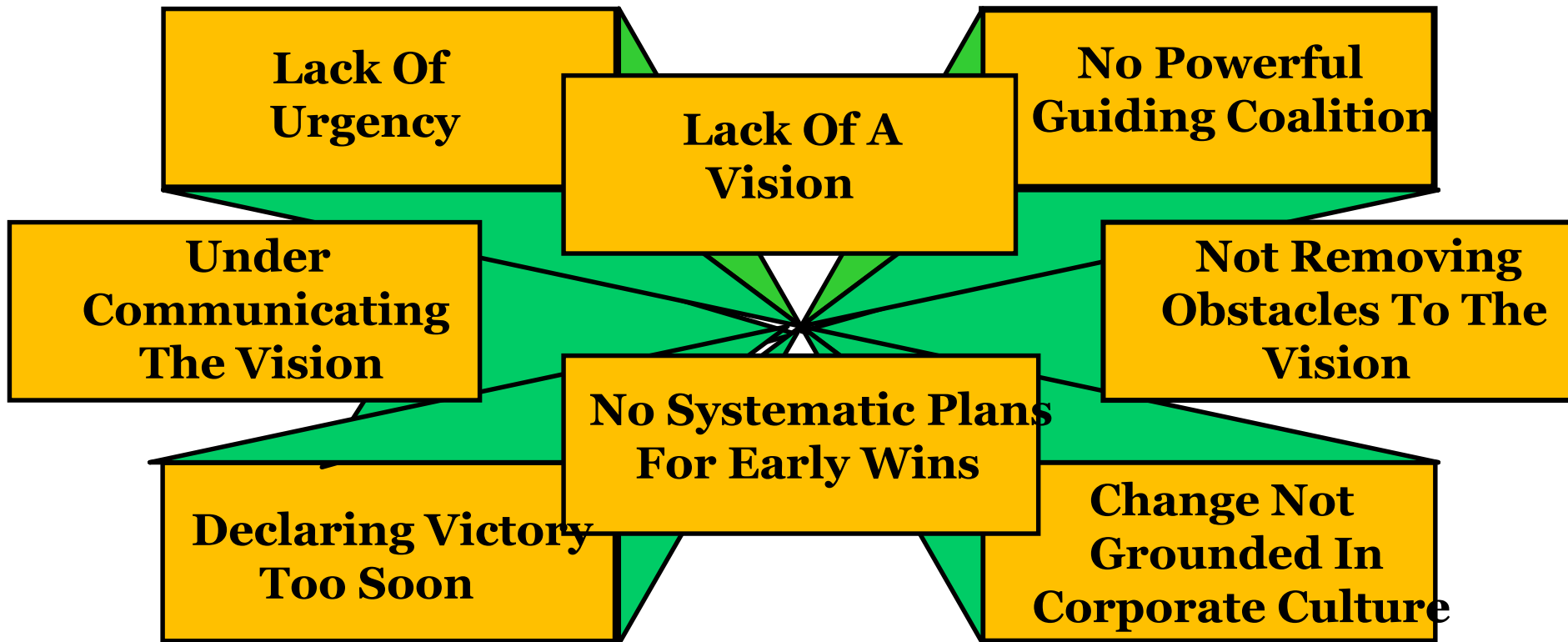


# Successful Change Begins with Vision



# Why Change Initiatives Fail

by John Kotter, Leading Change



# Three Kinds of People

- THOSE WHO MAKE THINGS HAPPEN
- WHO WATCH THINGS HAPPEN
- WHO DON'T KNOW ANYTHING IS HAPPENING



# Resistance to Change



# Reasons for Resistance to Change

Reason for Change	Explanation
Dislike of change	People simply don't want change
Discomfort with uncertainty	Dislike of ambiguity, fear of the unknown
Perceived negative effect on interests	Impact on status, rewards, security
Attachment to the culture	Change conflicts with organizational identity; values or beliefs and norms
Perceived breach of psychological contract	Related to trust & loyalty. The organization is not honoring "its side of bargain"
Lack of conviction that change is needed	Different perceptions as to whether the change is necessary.
Lack of clarity as to what is expected	Different perceptions of the intent or what is expected of organizational members to support the change

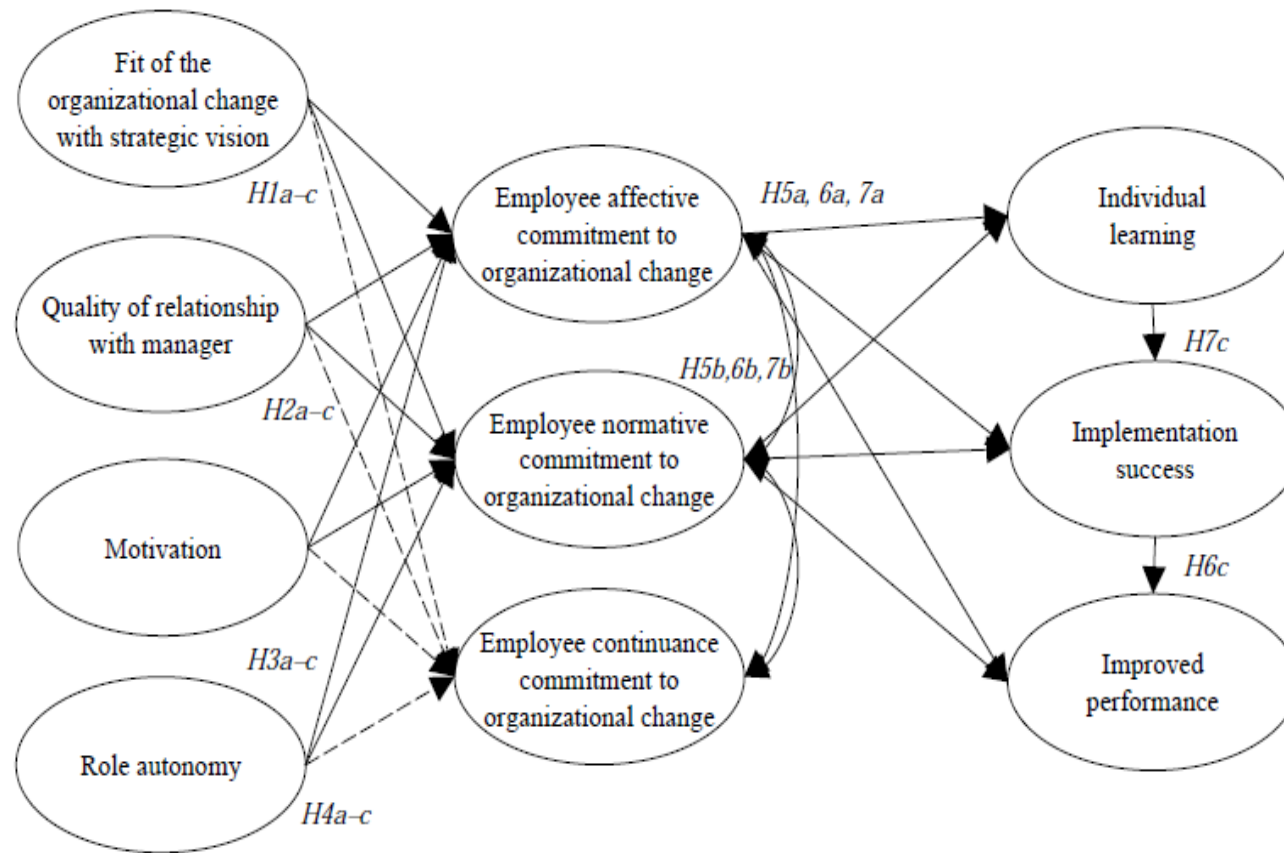


# Reasons for Resistance to Change

Reason for Change	Explanation
Belief that the specific change being proposed is inappropriate	Different perceptions of whether a change initiative is the right or necessary change initiative
Belief that the timing is wrong	Conditions are not right for change <i>now</i>
Excessive change	Too much simultaneous equals change fatigue and low morale
Cumulative effects of other changes in one's life	Related to both org and personal changes in an org member's life
Perceived clash with ethics	Member's perception that change clashes with their own ethical principles
Reaction to the experience of previous changes	Negative past experiences result in cynicism
Disagreement with the way the change is being handled	The change is not necessarily disputed, rather, how it is being implemented

# Employee Commitment to Change

by Turner-Parish, J. Cadwallander, S., Busch, P (2008). Want to, need to, ought to” employee commitment to organizational change.



Employee  
C2C

35

**Figure 1.**  
Hypothesized empirical  
model of antecedents and  
consequences of employee  
commitment to  
organizational change

# Individual Change Readiness



# Readiness for Change Factors

Readiness Drivers	Definition	Question it looks to answer
<b>Self-Efficacy</b>	Confidence in individual and group's ability to make change succeed	Can we do this? Will this work?
<b>Principal Support</b>	Key organizational leaders support this particular change	Is management consistent? Do organizational leaders believe in this change?
<b>Need for Change</b>	A gap between the current state and ideal state	Why a change?
<b>Appropriate of the Change</b>	The correct reaction to fix the identified gap	Why this change?
<b>Personal Valence</b>	Clarifies the intrinsic and extrinsic benefits of the change	What's in it for me?
<b>Understanding of the Change</b>	Informs the individual of the specific change requirement.	What is the change?

# Communicating Organizational Change



# Positive versus Balanced Messages



# Recommendations for Communicating Change

- Use different channels
- Be quick with information
- Allow questions
- Have conversations



# Next Steps – Plan to Win

- Create a vision
- Identify pain points
- Communicate Strategy
- Use SMART technique
- Prepare for Change
- Use Change Model
- Pilot Solution
- Implement Rollout
- Measure for Results
- Sustain Momentum





# effort

[ef-ert] /'ɛf ət/

noun

1. exertion of physical or mental power:

*It will take great effort to achieve victory.*

2. an earnest or strenuous attempt:

*An effort to keep to the schedule.*

3. something done by exertion or hard work:

*I thought it would be easy, but it was an effort.*

4. an achievement, as in literature or art:

The painting is one of his finest efforts.

5. the amount of exertion expended for a specified purpose:

*The war effort.*



# Where Does Effort Come From?

- Sense of Urgency
  - Commitment must outweigh your condition
- Perceived Value
  - Is the benefit received worth the effort?
- How Much You Care
  - How badly do you want success & happiness for others?

# TODAY, NOT TOMORROW



**Why Wait?**

# Self-Motivation – by Geoffrey James

- Condition Your Mind
- Condition Your Body
- Avoid Negative People
- Seek Out the Similarly Motivated
- Have Goals But Remain Flexible
- Don't Wait for Perfection; Do it Now!
- Celebrate Your Failures
- Don't Take Success Too Seriously
- Treat Inaction as the Only Real Failure
- Act With a Higher Purpose

# Closing Thought for the Day

“The first step toward getting somewhere is to decide that you are not going to stay where you are.”

-Unknown



# THANK YOU

## Please Complete Your Evaluation

### CONTACT INFORMATION

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