Organisational Change Management: A Strategic Approach for Organizational Effectiveness.

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ABSTRACT

The focus of this paper is to analyze Organizational Change Management as a strategic approach to organizational effectiveness. And the main objective is to determine the strategic change approaches that may influence organizational effectiveness. The authors deem it fit to employ an exploratory research approach in this study. The method intends to rely heavily on secondary data as well as some factual documents. Thus, some literatures and documents relevant to the problem under study were exhaustively reviewed in order to provide a well-round theoretical foundation upon which the recommendations were made. Empirical research should be conducted to assess the extent to which organizations have developed an agile system that can continuously reinvent itself, and the strategic approach that may influence organizational effectiveness.

Key words: Change Management, Organizational Change, strategic approach and organizational effectiveness.

1.0 INTRODUCTION

Kurt Lewin states, as quoted in St-Amour (2008). “If you want to truly understand something, try to change it.” This statement is especially true when making changes within or related to an
organization or its culture. During periods of organizational change, most attention focus on the organization in terms of structure, processes, tools, measurements, policies, and procedures. However, for the transition to be successful, people need to “buy in” and be committed. Their individual interests, values, and competencies must be effectively aligned with the organization’s vision, culture, and capabilities. The subject of this paper is change management as strategic approach to organizational effectiveness. In this context, according to Calver, Cheryl (2006) Lientz and Rea (2004), define change management as, “...the approach to plan, design, implement, manage, measure, and sustain changes in business processes and work.” change is said to be the only permanent situation in life but, surprisingly, it is one decision that management finds difficult to make and implement—and when a change is made, it is often one of the most resisted decisions by employees. However, change is inevitable; therefore, to be effective, management must anticipate and prepare for it. (Ezekiel, O., 2007) cited in Lawal, A.A (1993). Unforeseen environmental changes in the form of global competition, startling break-through in technology, cultural diversity, group dynamism, unwholesome competition, the emergence of knowledge and empowered workforce, work autonomy are exerting pressure on managers to find innovative ways for managing the future of their organization.

In the current climate of economic pressure and evolving political priorities, organizational change within public and private bodies is becoming an increasing priority. However, change is a complex process that can have negative as well as positive outcomes and as such it is worth looking at the available evidence so that the process is conducted as efficiently and effectively as possible (Tata, 2013), according to (Balogun and Hope Hailey, 2004) cited in Matt .B and Naomi .S, (2010). Against a background of rapid technological development, a growing knowledge workforce and the shifting of accepted work practices, change is becoming an ever-present feature of organisational life (Burnes, 2004). However, whilst many organisations appreciate the need for change, as many as 70% of the change programs do not achieve their intended outcomes. An organization with a high spirit of performance emphasizes achievement and excellence. Its culture is results – oriented and its management pursues policies and practices that inspire people to do their best to bring about effectiveness.
2.0 LITERATURE REVIEW: CONCEPTUAL FRAMEWORK

2.1 Organizational Change:

Sarah and Wu (2013) states organizational change to be the extent, rate, and overall nature of activities, led by a change agent, to enhance the overall performance of the organization. Organizational change is the movement of an organization from the existing position towards a desired future state in order to increase organizational efficiency and effectiveness (Cummings and Worley, 2005; George and Jones, 2002) in Mildred G. P etal, (2008).

To drive home the essence of change in organizations, Drucker, (1954:2), cited in Justin Mgbechi Odinioha Gabriel, Clement Emeka Oburuand Okilo Adubachange (2013) identified three types of formal organizations vis-a-vis their responses to changes. These include: those that make things happen, those that watch things happen, and those that wonder about what happened. He argued further that less formal organizations are managed by change while the outstanding organizations create change themselves. According to Robbins and Coulter (1999), if it weren’t for change, the manager’s job would be relatively easy; planning would be simple because tomorrow would be no different from today; the issue of effective organizational design would also be solved because the environment is free from uncertainties.

2.1. 2 Change Management:

Change management is a comprehensive, cyclic and structured approach for transitioning individuals, groups and organizations from a current state to a future state with intended business benefits. The process of change begins with organizational leaders developing an organizational strategy, then with the creation of an initiative that is aligned with that strategy. Change management is the process of managing transformational changes, which affect the culture, structure and performance of an organisation.’ (Jim Downey and Neil Crawford 2008)

According to Ezekiel Oseni, (2007) Change management can be defined as the process of planning, organizing, coordinating and controlling the compositions of the environment, internal
and external, to ensure that the process changes are implemented according to approved plans and the overall objectives of introducing the changes are achieved with as little disruption as possible. It may be impossible to effect change without any inconvenience to the existing processes and processors. In effect, change management is intended to prevent disruptions and any other deliberate or inadvertent acts that would frustrate the process change, and to resolve any disruptions and their causes promptly.

In the context of change, T.O Palmer (2004), cited in Justin M. O.G etal (2013) is simply an alteration of an existing state or condition. According to him, change in itself is neither good nor bad; it is merely an observed difference between a past and a present.

According to Issa Abdulraheem, Chima Mordi, Yinka Ojo, and Hakeem Ajonbadi (2013), therefore, discussion on change has many facets (Pettigrew, 1990), although most of these classifications are interwoven and related. Change can be viewed in terms of speed, quantity of service, quality of service or the type of organisation where change is experienced.

2.1.3 Strategic Approach:

According to Tricia S. Cabrey, Amy Haughey and Terry Cooke-Davies, (2014). These strategic initiatives are formulated as a direct response to a change in the business environment. Strategic initiatives—projects and programs—by their very nature drive change in an organization. Robert Kaplan and David Norton cited in Tricia S. C et al, (2014), define strategic initiatives as “collections of finite-duration discretionary projects and programs, outside of the organization’s day-to-day operational activities, that are designed to help the organization achieve its targeted performance.”

Morgan and Sturdy (2000) classified approaches to change into three: managerial, political and social. Their classifications are very useful in understanding organisational change. Kyriakidou (2011) argues that ‘this variation has created a theoretical pluralism that has provided a more comprehensive understanding of organisational life and has uncovered novel ways to explain some organisational change processes.

The strategic approach of organizational effectiveness proposes that an effective organisation is one that satisfies the demands of those constituencies in its environment from whom it requires support for its continued existence (Pfeffer & Salanick, 1978) cited by Love, P.E.D. and Skitmore, M. R. (1996).
2.1.4 Organizational Effectiveness:

Love, P.E.D. and Skitmore, M. R. (1996) cited; Generally, it is unclear what researchers mean when they refer to effectiveness and this has resulted in ambiguities in interpreting the results of their work (Cameron, 1984:236). Unfortunately, only a few studies have attempted to provide a definition of organizational effectiveness (Mohr,1971), including Seashore and Yuchtman (1967), who viewed effectiveness as the ability of the organisation to exploit the environment in the acquisition of critical resources, and Price (1968), who defines effectiveness as the degree of goal achievement.

Maryam T. Abbah, (2014) “An organization is effective to the degree to which it achieves its goals. An effective organization will make sure that there is a spirit of cooperation and sense of commitment and satisfaction within the sphere of its influence”. In order to make employee satisfied and committed to their jobs, there is need for strong and effective motivation at various levels in an organization.

This paper even though adopted the view of Ezekiel Oseni, (2007), which states that Change management can be defined as “the process of planning, organizing, coordinating and controlling the compositions of the environment, internal and external, to ensure that the process changes are implemented according to approved plans and the overall objectives of introducing the changes are achieved with as little disruption as possible” also adopted the Maryam T. Abbah (2014), position that “An organization is effective to the degree to which it achieves its goals”. An effective organization will make sure that there is a spirit of cooperation and sense of commitment and satisfaction within the sphere of its influence. In order to make employee satisfied and committed to their jobs, there is need for strong and effective motivation at various levels in an organization.

2.2 THEORETICAL REVIEW:

There are many change theories such as Lewin’s Three-Step Change Theory, Lippitt’s Phases of Change Theory, ADKAR Model, The Burke-Litwin Model Of Organizational Change and The 7 –S Model. and some of the most widely recognized are briefly summarized in this paper. The theories serve as a testimony to the fact that change is a real phenomenon. It can be observed and analyzed through various steps or phases. The
Theories have been conceptualized to answer the question, “How does successful change happen?” It is an effective tool for planning change management activities, diagnosing gaps, developing corrective action, and supporting managers and supervisors. The theory of change defines the building blocks required to achieve long-term goals. There are many theories on how to conduct change. Many of these theories originate from leadership and change management guru, John P. Kotter. Nevertheless, according to Entrepreneur magazine, all process models are derived from the model of organizational change by Kurt P. Lewin.

For the purpose of this work, the The 7–S Model will be adopted because this model is a useful way to look at the many interrelated aspects of a complex organization and it’s a great way to help managers understand their organization and leverage it to maximum efficiency and profitability. It was developed by Tom Peters and Robert Waterman.

2.2.1 Lewin’s Three-Step Change Theory

Kurt Lewin (1951) introduced the three-step change model. His model, which still holds true even today, is known as Unfreeze–Change–Refreeze and refers to the three-stage process of change. This social scientist views behavior as a dynamic balance of forces working in opposing directions. Restraining forces hinder change because they push employees in the opposite direction. Therefore, these forces must be analyzed and Lewin’s three-step model can help shift the balance in the direction of the planned change. He described organizational change using the analogy of the changing shape of a block of ice. (http://www.csupomona.edu/~jvgrizzell/best_practices/bctheory.html) According to Lewin, the first step in the process of changing behavior is to;

unfreeze the existing situation or status quo. The status quo is considered the equilibrium state. Unfreezing is necessary to overcome the strains of individual resistance and group conformity. Unfreezing can be achieved by the use of three methods. First, increase the driving forces that direct behavior away from the existing situation or status quo. Second, decrease the restraining forces that negatively affect the movement from the existing equilibrium. Third, find a combination of the two methods listed above. Some activities that can assist in the unfreezing step include: motivate participants by preparing them for
change, build trust and recognition for the need to change, and actively participate in recognizing problems and brainstorming solutions within a group.

**Lewin’s second step in the process of changing behavior is movement.** In this step, it is necessary to move the target system to a new level of equilibrium. Three actions that can assist in the movement step include: persuading employees to agree that the status quo is not beneficial to them and encouraging them to view the problem from a fresh perspective, work together on a quest for new, relevant information, and connect the views of the group to well-respected, powerful leaders that also support the change.

**The third step of Lewin’s three-step change model is refreezing.** This step needs to take place after the change has been implemented in order for it to be sustained or “stick” over time. It is very likely that the change will be short lived and the employees will revert to their old equilibrium (behaviors) if this step is not taken. It is the actual integration of the new values into the community values and traditions. The purpose of refreezing is to stabilize the new equilibrium resulting from the change by balancing both the driving and restraining forces. One action that can be used to implement Lewin’s third step is to reinforce new patterns and institutionalize them through formal and informal mechanisms including policies and procedures. Therefore, Lewin’s model illustrates the effects of forces that either promote or inhibit change. Specifically, driving forces promote change while restraining forces oppose change.

**2.2.2 Lippitt’s Phases of Change Theory**

Lippitt, Watson, and Westley (1958) extend Lewin’s Three-Step Change Theory.

Lippitt, Watson, and Westley created a seven-step theory that focuses more on the role and responsibility of the change agent than on the evolution of the change itself. Information is continuously exchanged throughout the process. The seven steps are;

1. Diagnose the problem.
2. Assess the motivation and capacity for change.
3. Assess the resources and motivation of the change agent. This includes the change agent’s commitment to change, power, and stamina.
4. Choose progressive change objects. In this step, action plans are developed and strategies are established.

5. The role of the change agents should be selected and clearly understood by all parties so that expectations are clear. Examples of roles are: cheerleader, facilitator, and expert.

6. Maintain the change. Communication, feedback, and group coordination are essential elements in this step of the change process.

7. Gradually terminate from the helping relationship. The change agent should gradually withdraw from their role over time. This will occur when the change becomes part of the organizational culture.

2.2.3 ADKAR Model

Managing organizational change starts with understanding how to manage change with a single person. Among the tools available to drive individual change, the ADKAR model developed by Prosci, the world leader in change management research and content creation, is commonly used. ADKAR is an acronym for Awareness, Desire, Knowledge, Ability, and Reinforcement. In principle, to make a change successfully an individual needs:

- Awareness of the need for change
- Desire to participate and support the change
- Knowledge on how to change
- Ability to implement required skills and behaviors and
- Reinforcement to sustain the change.

ADKAR describes successful change at the individual level and outlines the goals or outcomes of successful change.

2.2.4 The Burke-Litwin Model Of Organizational Change

In 1992, Burke, W and Litwin, G, published a high level change process theory, in which certain elements cause changes of other elements. The Burke-Litwin change model revolves defining and establishing a cause-and-effect relationship between 12 organizational dimensions that are key to organizational change.
The Burke-Litwin Model of Organizational Change

![Diagram of Burke-Litwin Model]

Figure 1;

Source: Modern Theory Of Organization (collected and edited by prof. dr. Štefan Ivanko) Ljubljana, January 2013

This model strives to bring a change in the performance of a team or an organization by establishing links between performance and the internal and external factors which affect performance. This change model is based on assessing the organizational as well as environmental factors which can be tweaked so as to ensure a successful change. Moreover, Burke and Litwin distinguished between transformational factors and transactional factors. Transformational change happens in response to the external environment, which directly affects the mission, strategy, leadership and culture of the organization. In turn, the transactional factors are affected by structure, systems, management practices and work climate. These transformational and transactional factors together affect motivation, which in turn affect performance. There is a feedback also, because the organizational performance can directly affect the external environment.

2.2.5 The 7–S Model
The 7-S Model has its origins from the classic, ‘The Art Of Japanese Management’, by Richard Pascale, Tanner & Anthony Athos during the early eighties. Over the years it has become a widely accepted tool for understanding how a high performing organization must be managed.

Figure 2;

According to Dagmar Recklies, the 7-S-Model is better known as McKinsey 7-S. This is because Tom Peters and Robert Waterman, have been consultants at McKinsey & Co at that time. They published their 7-S-Model in their article “Structure Is Not Organization” (1980) and in their books “The Art of Japanese Management” (1981) and “In Search of Excellence” (1982).

The basic premise of the model is that there are seven internal aspects of an organization that need to be aligned if it is to be successful. It is the seven key elements of an organization that are critical to understand its effectiveness. These seven elements are: Strategy, Structure, Systems, Shared Values, Style, Staff, and Skills. During their study Peters and Waterman observed that managers are getting more done if they pay attention with seven S’s instead of just two (the hardware criteria), and real change in large institutions is a function of how management understand and handle the complexities of the 7-S Model. Peters and Waterman also reminded
the world of professional managers that soft is hard meaning that it is the software criteria of the model which often are overlooked and which should have the highest focus when embarking on the journey to excellence.

(http://www.iei.liu.se/q/filarkiv/phdcourses/1.119234/InSearchofExcellenceSMJJ_.pdf)

2.3 EMPIRICAL REVIEW

2.3.1 Organizational management and Organizational Effectiveness

Mildred Golden Pryor, et al (2008) conducted a study on Challenges Facing Change Management and Conclusions drawn by these researchers are that the driving forces for organizational change are the result of the need to constantly improve productivity and efficiency.

McNamara (2006) cited in Sarah Wu (2013) carried out a study on Theories of Organizational Change and states four Dimensions of Organizational Change as; Organization-wide versus Subsystem, Transformational versus Incremental, Remedial versus Developmental, Reactive versus Proactive

2.3.2 Change management and Organizational Effectiveness

According to Ezekiel Oseni, (2007) in his work on Change management in process change, he concludes that Change can be costly, financially and otherwise, but it can also be very rewarding if it is carefully thought out and implemented. However,

1. Since a great deal of financial and human resources are required to effect some process changes, quality plans are required to ensure that the new process is implemented, clogs in the wheels are promptly identified and feasible solutions are derived.

2. It is the responsibility of top management to ensure a successful process change. To maximize success, management must be well equipped to manage the environment (employees, customers, suppliers, competitors and other stakeholders) affected directly or indirectly by the process change.

Tricia S. Cabrey, Amy Haughey and Terry Cooke-Davies, (2014). As outlined in Managing Change in Organizations: A Practice Guide, PMI views change management as an essential
organizational capability that cascades across and throughout portfolio, program and project management. All strategic change in organizations is delivered through programs and projects, and successful organizations lead change by managing their projects and programs effectively.

According to Maureen M, (2008) in the study on Senior Leadership's Role in the Change Process. Opined that “Every behavior is motivated by need. Change – any change – may be perceived as disruptive and potentially dangerous as the status quo becomes unstable.” The role of leaders and managers in a changing environment is critical to the overall success of the implemented change. It is also important that the change consider the impact on employees and culture while aligning with the organization’s vision, mission, and values. Although change is a way of life in today’s organizational structure, change, if managed appropriately, can be a positive and successful experience.

Austin O. O, and Isaac Z.O (2012) conducted a study on Organizational Development: The Management of Change in Industrial Organizations in Nigeria using sectional survey, The findings of the research revealed that change management is a great phenomenon that enhances the performance of the industrial organizations and that if more attentions are given, industrial organizations definitely will have a good standard. We therefore recommend that the management should encourage change in the industrial organizations and that industrial organizations are better off with innovative process on products and procedures of production.

2.3.3. Strategic approach and organizational Effectiveness

Edward G. E (2013) conducted a study on, Building and Sustaining Supportive Organizational Culture through Innovative and Strategic Leadership and opined that, Changing an organizational culture is more difficult than maintaining it, but effective strategic leaders recognize when change is needed. Regardless of the reasons for change, shaping and reinforcing a new strategies require effective communication and problem solving along with the selection of the right people, effective performance appraisal, and valuable reward system. Experience suggests that the success of any change depends on the Chief Executive Officer (CEO) and other senior executives give active support. To effect change this way, middle level managers in particular need to be highly disciplined to energize the change and
foster alignment with the strategic vision (Axelrod, Handfield, and Michael, (2002). However, the strategic manager sincere intentions to effect changes for organizational effectiveness may be frontally attacked by those who may feel that their existing status-quo would be severely affected. The strategic manager however can calm the storm if, he keeps the lines of communication open, is transparent and possesses the natural ability to persuade, reward or to sanction. As Hoskissan and Hilt (2007) argued, “a firm’s ability to achieve competitive advantage and earn above –average returns is compromised when strategic leaders fail to respond promptly to changes in the complex global competitive environment. The inability of some corporate leaders to respond to and adaptive to change is one of the reasons for abysmal performance and inevitable failure. Strategic leaders if they are to succeed must learn how to deal with diverse and complex competitive situations”.

Sarah Wu (2013), study on Theories of Organizational Change Concludes that, Change strategies are most effective and likely to be sustained when they are directed at multiple levels of organization, while simultaneously taking the external environment into account.

Tricia S. C et al, (2014) after conducting a study on Enabling Organizational Change Through Strategic Initiatives using the survey method, opined that; “The primary reasons why organizations are failing—and losing money—are insufficient communications and lack of leadership”. However, organizations that are highly effective at change management, Change Enablers, incorporate certain practices that they deem important to the success of strategic initiatives such as;

1. Having well-defined milestones and metrics

2. Having senior management committed to change

3. Establishing and communicating concrete ownership and accountability

According to Tricia S. C et al, (2014) , Research by the Economist Intelligence Unit supports these findings; the top reasons why change initiatives did not succeed were a lack of clearly defined milestones, a lack of commitment by senior management and poor communication.
Having each of these practices, though important and used frequently by organization, is not enough. It is also critical to effectively communicate the outcomes of these practices throughout the organization and communication of their impact to the initiative is essential.

In today’s volatile environment, with the rate of change accelerating, organizations that successfully manage strategic initiatives save more money and are poised to gain an advantage over their competitors. “Today we’re talking a lot about change management because organizations live in a much more dynamic environment than in the past,” says Michel Thiry, PMI Fellow, founder and managing partner of Valense Ltd and Concludes that; “for change initiatives to be successfully implemented, It is absolutely essential that the executive team develops the capability to be sponsors that truly understand, promote and demonstrate the organizational change management competencies”, cited in Tricia S. C, et al (2014).

Deborah, S. S. (N.A) consented that recent poll conducted on a study ‘Organizational Effectiveness: Preparing Your Workforce by Right Management’, agreed that their workforce effectively responds to change. In contrast, 31% reported their workforce was not able to adapt to change, putting productivity and engagement at serious risk. 44% percent reported that their workforce was coping with change, but that morale was suffering. But this lack of planning and preparedness has an unfortunate result: Change management strategies tend to fail, undermining an organization’s ability to achieve the goals the change initiative was designed to produce. However, the study concludes that a strategy required for effective change to be in place and successful change management strategy is not an easy task to undertake. It requires putting in place an integrated planning process, including steps to take before, during and after the change. Such as;

1. Understand previous change initiatives.

2. Involve top leadership.

3. Identify people who might be potential stumbling blocks or champions.

4. Map out a change process.

5. Cost during and after
6. Provide adequate support and development for line managers to lead employees through the change.

7. Provide coaching for managers who still need help.

8. Measure success and ensure an effective communications system.

3.3.4 Conceptions of Change and Strategic Management:

Kamugisha Samuel (2013), The strategic management model assumes that the changes in the organization can be captured by one or a few objectives (Thompson and McEwen, 1958). But what if the change-process involves multiple changes simultaneously? This question leads the discussion into a path discussing hierarchies of objectives or complexity. In most modern theories of managing change, the goal-setting and objectives have been substituted by the vision as a driver for planned change. The vision plays a central role in modern change management as an abstract organizing and driving force creating meaning and motivation in the change process (Kotter, 1990, 1995, 1996; Beer et al., 1990; Li, 2005; Kaplan and Norton, 2007).

4.0 GAP IN LITERATURE

Though change management is a subject studied extensively in Nigeria, Most studies in this area have embarked on the process of change management. Matt .B, and Naomi .S, (2010), Austn .O, and Oparanma I. Zeb-Obipi (2012), Sarah Wu (2013), Justin .M, Odinioha .G, Clement E. O and Okilo .A ( 2013), Kamugisha Samuel (2013) in Nigeria. Rukunga (2003), studied strategic change management. The focus of this study therefore was to find out the strategic approach that may influence organizational effectiveness. There is also disagreement over which domain of organisational activity represents the legitimate focus of attention for effectiveness studies (Cameron, 1981). Empirical research should be conducted assessing the extent to which organizations have developed an agile system that can continuously reinvent itself, and the strategic approach that may influence organizational effectiveness.

5.0 CONCLUSION AND RECOMENDATIONS

All organizations go through change. Some organizations proactively opt to change to take advantage of new growth and opportunities; other organizations are forced to quickly change to
survive and remain competitive. Successful organizational change management requires a commitment to transform from what an organization is into what it wants to be.

Empirical research should be conducted assessing the extent to which organizations have developed an agile system that can continuously reinvent itself, and the strategic approach that may influence organizational effectiveness. Organizations need more than a model that simply help an organization move from the current state to a future state. The management should encourage change process in the industrial organizations. The industrial organizations are better of with innovative process on products and procedures of production. An effective change management process can’t be an afterthought. Indeed, it requires a comprehensive effort involving all levels of the organization, driven by top management. In order to succeed and thrive in today’s rapid-paced and tumultuous market, organizations need an agile workforce that can effectively respond to, adapt to and perform under these conditions.

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