Module – 10
Lecture – 49
Behavioural reaction to organisational change (Continued)

Welcome back to the lecture session on the Behavioral reactions to organisational change, we will continue with our discussion. So, here we are going to discuss on the different types of organisational changes.

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So, we have already seen like there are three levels of changes; the individual level, group level and the organisational level. So, there are different ways to classify organisational changes; like Gersick has defined his classification as gradual or revolutionary.

So, Dunphy and Stace, they have classified changes either incremental or transformational in nature. Levy has classified organizational changes either a 1st degree or 2nd degree. Miller and Friesen, based the classification and either evolutionary or revolutionary. However, you classify the different processes of organisational change. So, one thing which is very common to all classification is the magnitude of the change.

So, either it is gradual, evolutionary, incremental and 1st degree all have to do with the changes that comes in like bits or departments or unit level changes. When we talk of revolutionary change, transformational change and 2nd degree change say it has to do with the big changes that are holistic and involved all the strategic units of an organisation.

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So, it is very important to look at the organisational change from the different perspectives. Here we are going to discuss the evolutionary and revolutionary change as the two broad categories with a little bit of more discussion. So, evolutionary change, which is a change which is not very drastic or sudden change in the basic nature of the organisation's strategy and structure; but it is a gradual, incremental and specifically focused change.

So, it is a constant attempt to incrementally improve, adapt and adjust strategy and structure to match better with the changes that are taking place in the environment and with the or that of the organisation. So, in for this the organisation needs to have very good system, which is developed for environmental scanning, so that they can scan the environment and find out what is the necessary for future like effectiveness, and they are able to bring in slow changes within the organisation and be well prepared for changes.

So, it is an attempt to increase the effectiveness of the way the organisation currently operates. When we talk of revolutionary change, it is a very always all in a sudden, drastic and organisation wide change. So, it is more likely to result in a dramatic shift that involves a whole new way of doing things, new goals and new structures.
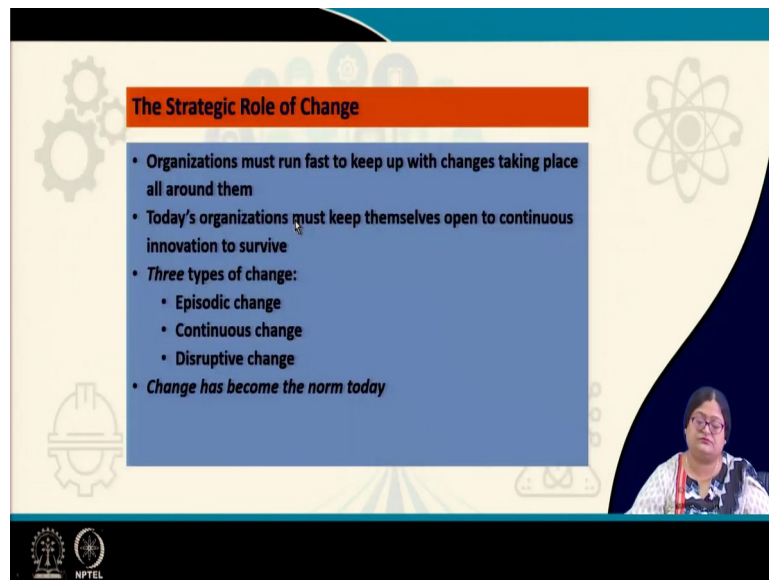
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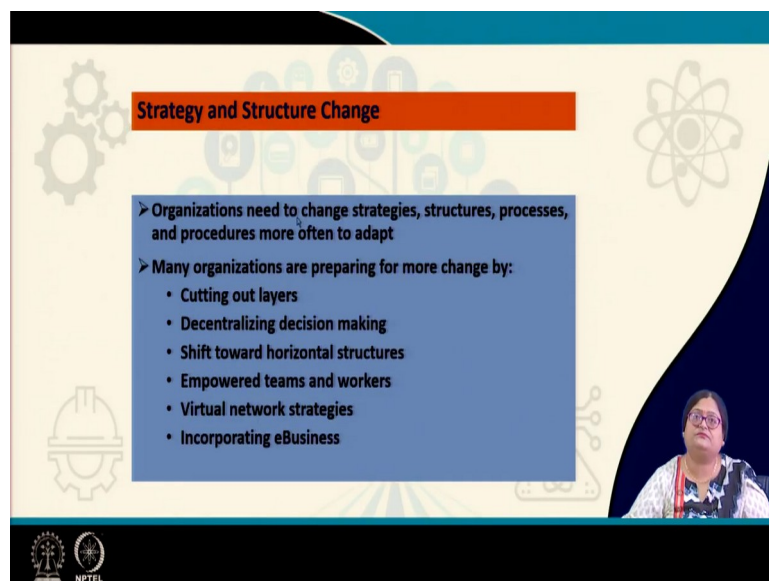
For this reason, it is very important to look into the strategic role of change. So, the organizations must run fast to keep with the changes taking place all around them. So, for one thing which is very important like learning and innovation to survive. So, today's organization must keep themselves open to continuous innovation to survive. So, there are three types of changes that we can discuss here, which is the episodic change, continuous change and disruptive change.

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And we can tell like the change has become the norm of the day. Strategy and the structure change; the organization sometimes need to change strategies, structures, processes and procedures more often to adapt. So,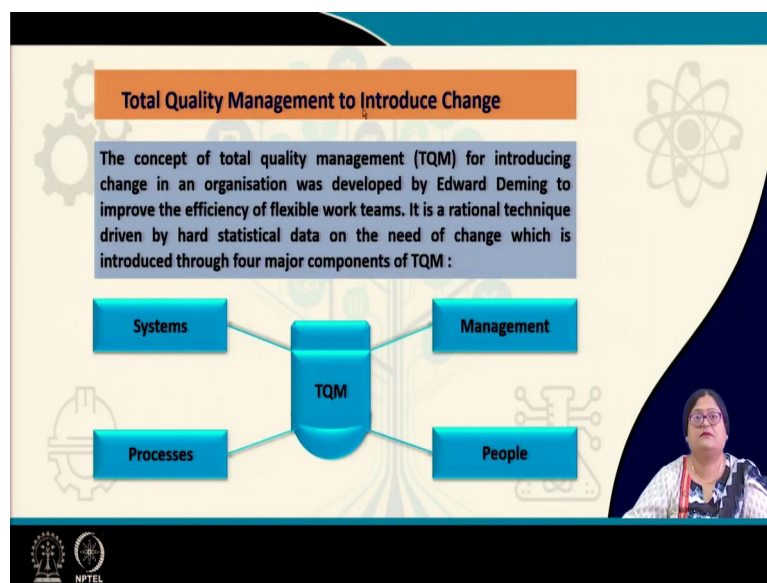 many organizations are preparing for more change by cutting out layers, decentralizing their decision-making process, shift towards horizontal structures, empower team and workers, virtual network strategies and incorporating e-businesses.
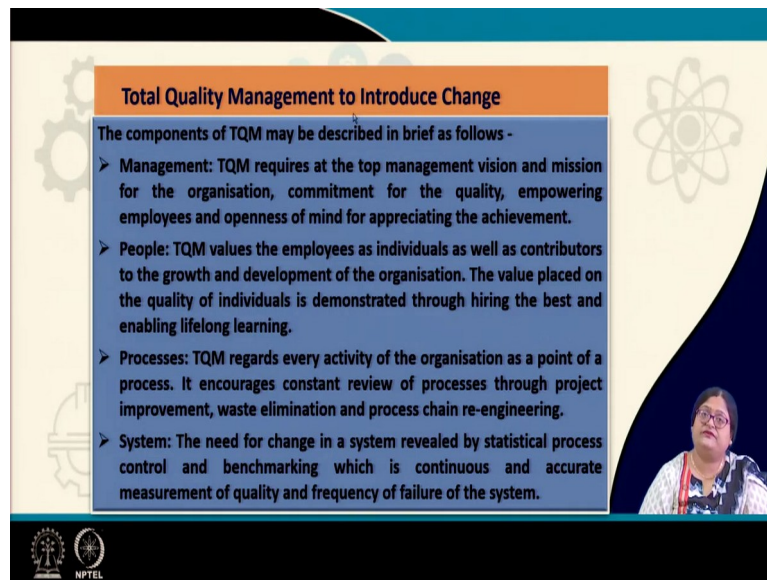
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When we are talking of like either may be evolutionary change or we are talking of revolutionary change, it is very important definitely to have an overall holistic idea in mind to understand; like how the change processes are going to affect each of the subsystems, and how the systems can be flexible enough to adjust to the change situations? So, in this context, we are going to discuss total quality management to introduce change.

The concept of total quality management for introducing change in an organization was developed by Edward Deming to improve the efficiency of flexible work teams. The word flexible is very important; how adaptable you are to the change processes, like how well and quickly you can adapt to change processes is very important. It is a rational technique driven by hard statistical data on the need of change which is introduced through four major components of TQM which are systems, management, processes and people.

Here we are going to elaborate some more on the TQM, and how it is used to introduce change? The first component is like the we are going to discuss about management. So, it starts at the vision, which starts with the vision of the top management. So, TQM requires at the top management vision and mission for the organisation, commitment for the quality, empowering employees and openness of mind for appreciating the achievement. So, if it is not supported by a top management vision, a TQM is not possible.

People, it is a TQM is also we can understand it is a philosophy where, which values the employees as individuals as well as contributors to the growth and development of the organisation. The value placed in the quality of individual is demonstrated through hiring the best, like at the candidate and enabling their lifelong learning.

Processes, so TQM records every activity of the organisation as a point of a process; it encourages constant review of the processes through project improvement, waste elimination and process chain reengineering. So, if you are focusing on each of the processes; trying to find out how it can be improved like, like how the waste can be eliminated and what can be done in a different way, so that it is a better link with the other concepts and with the other processes, then definitely all the processes are going to improve.

System, the need for change in a system is revealed by statistical process control and benchmarking which is a continuous and accurate measurement of the quality and the frequency of failure of the system. So, we need to statistically see like which is where the,

like change is required and if you are having a benchmarking means to comparable standard; then how much like the change is required, how to measure for the quality, and how many times that there is a failure in the system which needs to be looked into?

So, all these components we see are very important sub components of how to introduce change; but of these things if you see the very to human factor is very important over here, like where we see if the management is not supportive, management is not a visionary. If they do not understand, like what is the importance of change; if they do not empower the employees and they do not have an open mindset, then for facilitating and appreciating the achievement of people, then TQM cannot be initiated.

Also, the people need to be very competent people and like these best people should be hired; like lifelong learning should be facilitated, so that people are respected also as contributors to the growth and development. This philosophy this mindset of the leaders is very important which needs to be, which gives a positive, develops a positive climate in the organization and allows people to talk about the new ideas, experiment, share their views and become contributors to the change processes.

So, that is how may be a positive reaction to change is initiated; people become more proactive, they really want to contribute for the betterment of the organisation. And we become more flexible to change and experiment with the changes and. And it is like they accept the change, not that they feel like the change process is imposed on them.

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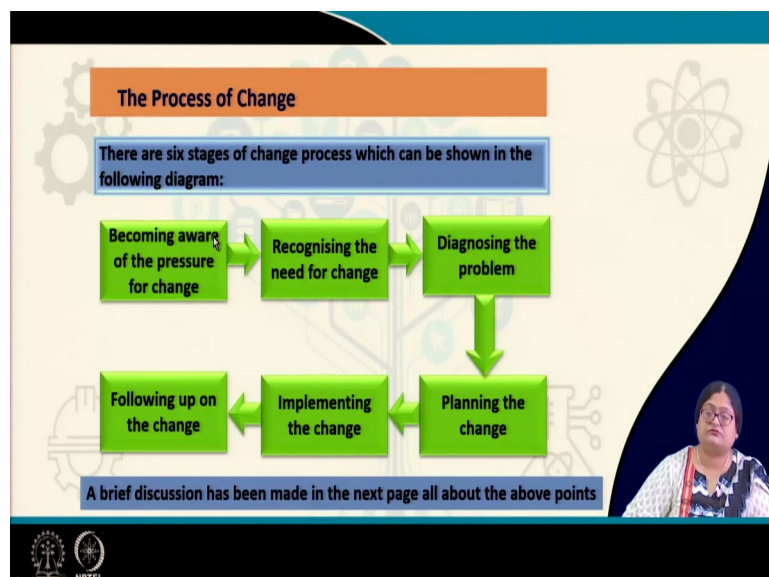
So, that brings us to the discussion, to the next connected discussion, which is on how to like introduce the change process? So, as we are telling like the change, change is a well linked process which takes time to like develop; it cannot be done in a day, it is time consuming and needs to be well planned.
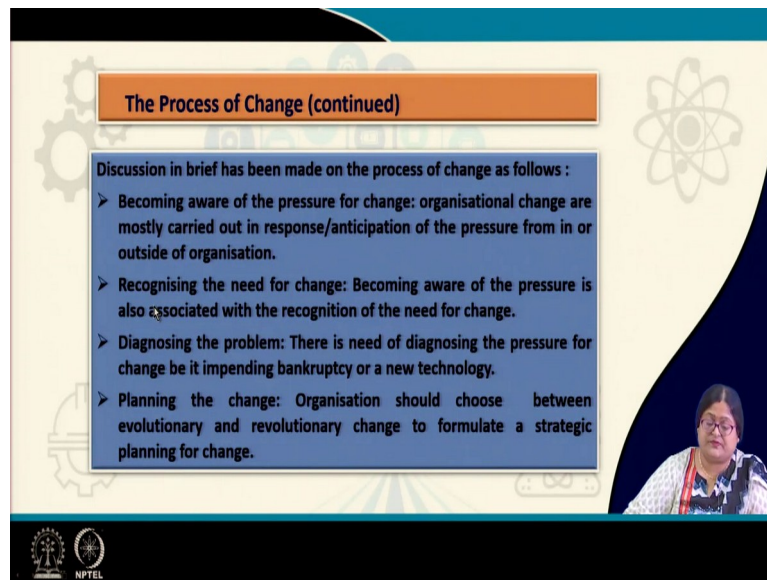
So, here we are going to discuss on the six stages of the change process which can be shown in the diagram. So, becoming aware of the pressure for change; so, when there are upcoming pressures for change from both inside the organization and outside the organization, we need to become aware of it.

If you are complacent, if you are not studying the environment properly; so, if we remain happy as we are and we do not feel like, feel disturbed about like how we are and how the environment outside is changing and what it expects us to do, then maybe we do not recognize the need for a change. But when we become aware of the pressure of change, that is the first point which gives rise to the next step, which is the recognizing the need for change.

So, after we understand the need for change, the third step is diagnosing the problem. We understand something needs to be change, but change what? So, that change what is diagnosing the problem, and change how is the planning for the change.

So, after diagnose the problem and then we understand, what needs to be changed; then coming to the implementation of the change process and the follow up of the change. So, these are the six different steps of the how the change process takes place, we will have a brief discussion about all of the points.

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First step as you are telling is becoming aware of the pressure for change; organisational change are mostly carried out in response or anticipation of the pressure from the inside or outside the organisation.

Recognizing the need for change; becoming aware of the pressure is also associated with the recognition for the need for change. Diagnosing the problem; there is a need of diagnosing the pressure for change when it is impending, bankruptcy or whether it is a new technology.

So, planning the change, so after you understood the problem; next step is planning the change. Organisation should choose between evolutionary and revolutionary change to formulate a strategic planning for change; like whether we do it in a very short incremental steps or whether it is very overhauling drastic changes.
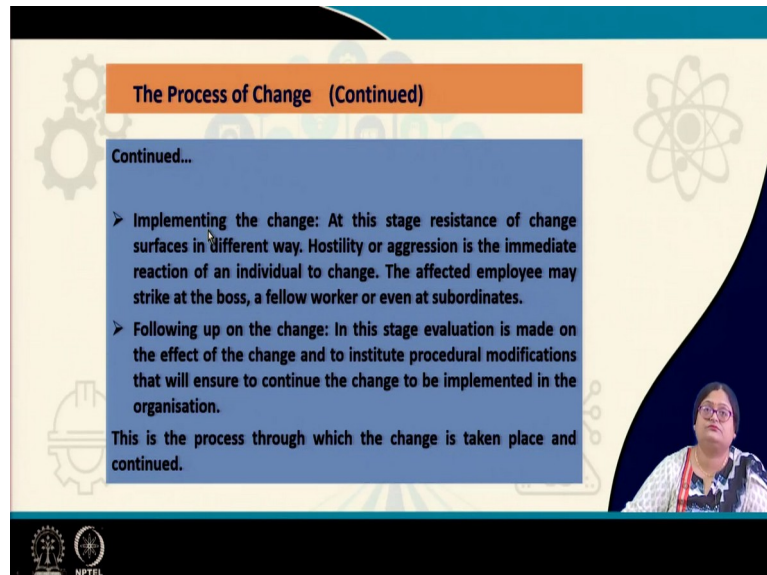
So, actually whether it is a revolutionary or evolutionary, depends on your preparedness of your change, your readiness for change; whether you have started quite ahead of time in slowly preparing yourself for the final change process, tells like whether it is evolutionary or revolutionary in nature based on the pressures that you feel.

And when you really want to transform yourself totally; then what happens slow, slow transformational changes slowly introduced into the system through incremental processes makes the changeover easy, rather than in one fine morning you raise and tell like, from

tomorrow onwards the organisation is going to look something very different and function in a different way.

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Implementing the change is the next process, next step where you find, at this stage resistance of change surfaces in different two ways. So, when you are going to start to implement the change; so, hostility or aggression is the immediate reaction of the individual to change.

The affected employee may strike at the boss fellow worker or even at the subordinates. Following up on the change process, in this stage evaluation is made on the effect of the change and to institute procedural modification that will ensure to continue the change to be implemented in the organisation.

So, it is not enough just to implement the change, but it has to be constantly followed up, evaluated; like what was the expected standard, how far you have reached, where is the gap, why is the gap, how to take care of the gap, could you do something very differently, so what is the success rate all these needs to be like checked in, evaluated before we tell like the implementation is successful.

So, in this way, it is a continuous process and you can tell like again then we go back, again to find out what needs to be; what is the pressure and what needs to be changed, where is the problem lying, how to plan for the change. So, it is a continuous process which goes on and on and at all of the stages are really very important.

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Before ending today's discussion, we are going to discuss on a very important topic; because we are talking something about the pressures of the environment, both inside and outside. We thought like at this juncture, it is very important to introduce about the concept; though most of us know about it is the VUCA concept, which is the volatility, uncertainty, complexity and ambiguity in the whole system.

And what is our or the environment or in the internal system and what are the effects of it and what reaction, what actions can be taken and what are the skills required to face this kind of environmental situations. So, when we talk of volatility, it is a fast change without clear predictable pattern or trend. So, the strategy is the vision, it leads to agility and effects are risk, instability, flux. The actions taken are anticipate and react to the nature and speed of change. The skills required are of course communication, transparency, commitment to a better future.

When we talk of uncertainty, it is the frequently disruptive changes, unknown outcome, unpredictability; strategies, understanding leads to information. Effects which are like direction paralysis due to data overload, change is possible; but it is not given how. Action is act decisively without having clear direction or certainty. The skills required are engagement, collaboration, flexibility and value diversity.

When we talk of complexity in the environment; it is the multifaceted effects and interdependent causes. Strategy is the clarity leads to restructuring. Effects are unproductive,

dualities; action is navigated through complexity, chaos and confusion. Skills required are that a problem solving, decision making, communication and transparency.

And ambiguity is the environment is where there is misrepresentation, lack of clarity without knowing what is real and what is true. Strategies, agility leads to experimentation; effects are it may induce doubt and distrust, lapses in decision making and it may hurt innovations. The action to be taken or maintain effectiveness; despite constant surprise and lack of predictability. Then the skills required at that accountability, change advocacy, innovation, technology centric.

So, what you can see over there like, these are different types of environment which needs to be interpreted and it is the nature of change in each of these; whether it is volatile or whether it is uncertain, whether it is complex or ambiguous in nature. So, what the focus of the change processes are different, the focus of the; when you talk of like what changes and how its changes are different in the four different environments. Accordingly, your strategy to face; the change the actions that are taken for facing the change and the skills that are required for facing the change are also different.

There yes, there are some overlaps between these four different environments; but still there are certain differences where you can get to understand, whether it is volatile, whether the environment is uncertain, complexity and what is the nature of complexity and ambiguity in it? So, based on your understanding and interpretation of the environment; then you can proceed with the steps taken for facing it or introducing the change.
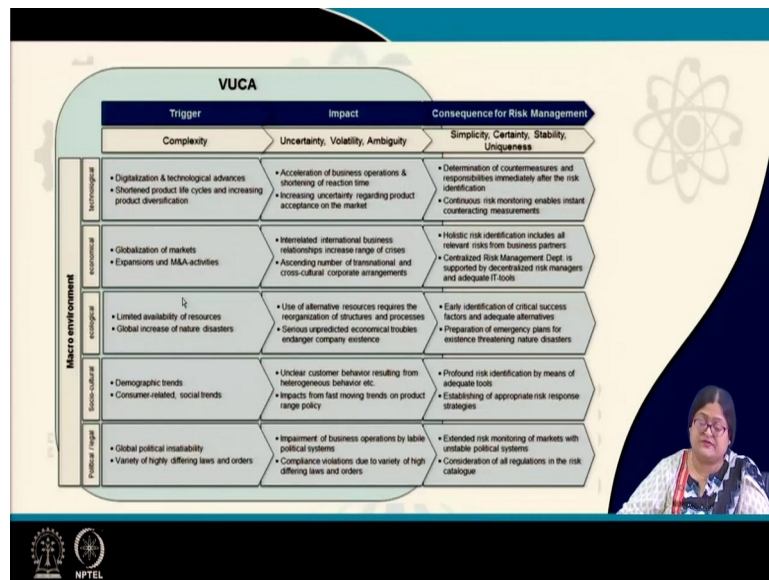
So, what you can see over here is, there is a macro environment and we can see the trigger and the impact and consequences for risk management. So, when the in the macro environment like, whenever we are talking of technological changes in the complexity environment; it is like the digitization and technological advances, shortened product life cycles and increased product diversification.

The impact is in the uncertainty, volatility and ambiguity in the terms of acceleration of business operations and shortening of reaction time. Increasing uncertainty regarding product acceptance of the market. Consequences for risk management are like the simplicity, certainty, stability and uniqueness.

So, similarly for which is like determination of counter measures and responsibilities, immediately after the risk identification etcetera. Similarly, like when you are talking of the economical thing or we can classify like what does the complexity in the environment means, and what are the impact in terms of like uncertainty volatility and ambiguity? And if like this problem needs to be solved; then if you have to if you are able to manage your risk properly and then what results is a part of the consequences.

So, in this way you can make a, this is just an example you can make your own chart also in this way; like when you are talking of may be socio cultural, the complexities, the demographic trends, consumer related and social trends. The impact is unclear customer

behavioral resulting from heterogeneous behavior etcetera, impact from the fast-moving trains and product range policy.

So, if you have to make this, because it is unclear customer behavior; your life can become simple only when you are profound risk identification by means of adequate tools and establishing the appropriate risk response, strategies. Because, like impacts from the fast-moving trends and product range policy is going to introduce a risk factor.

So, like what happens in this VUCA environment you can understand, there is always a risk involved. And if in terms of like uncertainty, volatility and ambiguity and if you can deal with the risk properly; then only it will lead to some simplicity, certainty, stability and uniqueness which is very unique to yourself. So, you have to understand and interpret the risk properly.

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So, this diagram is going to help you to understand like where the risk lies, like here like the, it is a fast change without clear predictable pattern or trend. So, you do not understand like how it is, like the process of change. So, here in uncertainty, maybe your outcome is unknown; you do not know what you are working for and it is also very unpredictable in nature. So, here what you see like what you are aim, aiming for also is not known; how you are doing things is also not known.

So, risk lies maybe in those two cases. So, here from these diagrams, you have to identify the risk and study like; you can make a map of yours for your own situations in this way to find out; what are the triggers, what are the impact and the consequences of risk management, what is there in your macro environment and what is the technological, economic, ecological and socio cultural and political, legal.

And this environments impact on your, how it triggers your complexity; each of these how it triggers your complexity, what it leads to the impact in terms of this uncertainty, volatility and ambiguity and how, what you do for the consequences of risk management. We this is just an awareness about the like VUCA environment; we will definitely discuss more about the VUCA environment and how to deal with the VUCA environment through a proper like leadership in a VUCA world, where we will be discussing on leadership in the next upcoming topics.
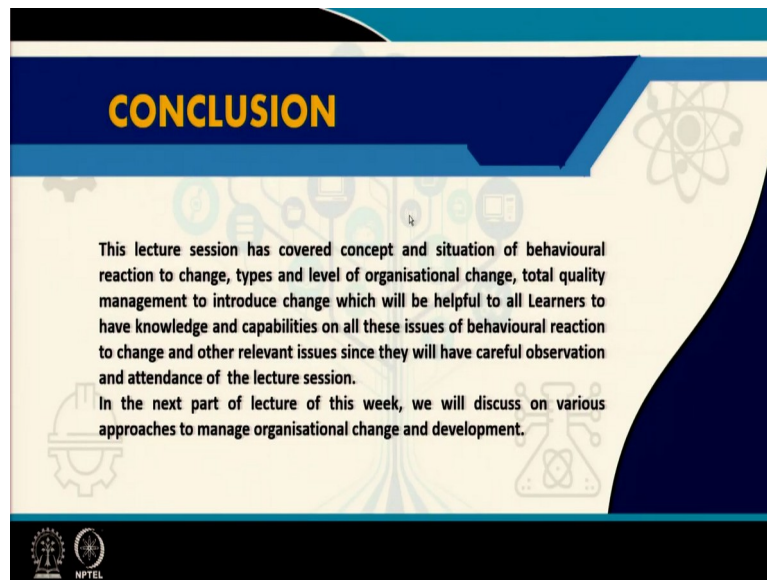
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So, thank you for now, meet you next with your more discussions on organisational change.

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So, this lecture session has covered concepts and situations of behavioral reactions to change, types and levels of organisational change, total quality management introduce change, which will be helpful to all the learners to have knowledge and capabilities on this issue of behavioral reaction to change and other relevant issues; since they will have careful observation and like attendance of the lecture session.

So, the in a next part of the lecture of this week, we will discuss on the various approaches to make manage organisational change and development. Stay tuned with us for more in-depth learning on organisational change and management.

Thank you.