

Organizational Design Change and Transformation
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Module - 05
Lecture - 22
Organizational Change

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The slide features a blue header with the IIT Kharagpur logo and the text 'NPTEL ONLINE CERTIFICATION COURSES'. Below this, the course title 'ORGANIZATIONAL DESIGN, CHANGE AND TRANSFORMATION' is displayed in bold, followed by the instructor's name 'DR. SANGEETA SAHNEY, PROFESSOR, VGSOM, IIT KHARAGPUR'. A small image shows hands moving wooden blocks to spell 'CHANGE'. The slide is divided into sections for 'Module 5' and 'Lecture 2'. A yellow box at the bottom contains a detailed list of topics: 'Meaning and definition of organizational change; Targets of change; Forces for organizational change; Barriers and resistance to organizational change; Types of change; Process of change; Stages for commitment to change; Managing planned change; Change agents; Approaches to managing organizational change; Contemporary change issues.'

[FL]. We will be continuing with our discussion on Organizational Change in our course on Organizational Design Change and Transformation. This is week 5 or module 5 and this is lecture 2. In the previous lecture, we have spoken about the meaning and definition of organizational change, the targets of change, the forces for organizational change.

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**ORGANIZATIONAL DESIGN,
CHANGE AND TRANSFORMATION**

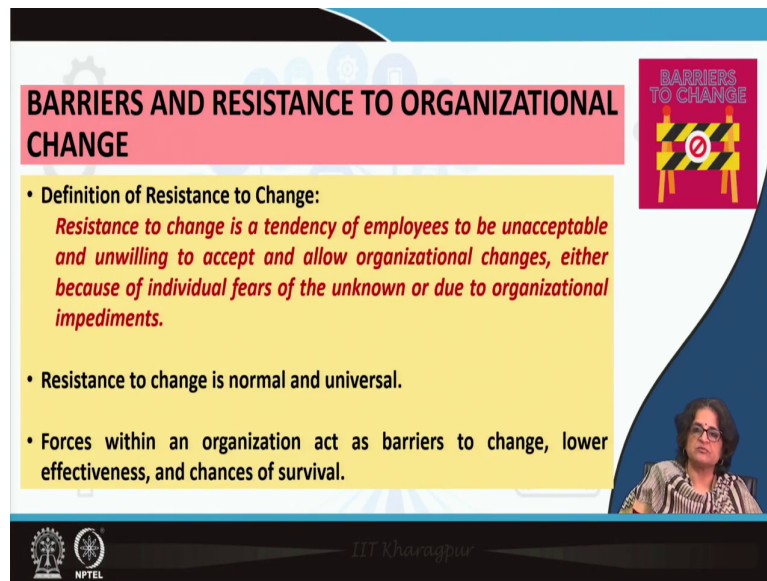
Organizational Change

- Barriers and Resistance to Organizational Change
- Types of Change
- Process of Change
- Stages for Commitment to Change
- Managing Planned Change

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Today, we shall be continuing with our discussion on the topic and we will start with the barriers and resistance to organizational change. Thereafter, we will be moving to the types of change, the process of change, the stages for commitment to change and managing planned change.

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BARRIERS AND RESISTANCE TO ORGANIZATIONAL CHANGE

Definition of Resistance to Change:
Resistance to change is a tendency of employees to be unacceptable and unwilling to accept and allow organizational changes, either because of individual fears of the unknown or due to organizational impediments.

- Resistance to change is normal and universal.
- Forces within an organization act as barriers to change, lower effectiveness, and chances of survival.

BARRIERS TO CHANGE

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So, let us first start with the barriers and resistance to organizational change. Now, in the previous lecture, if you recall, I said that the most important thing for an organization and for the employees, in change management is about accepting the fact that they must change, ok.

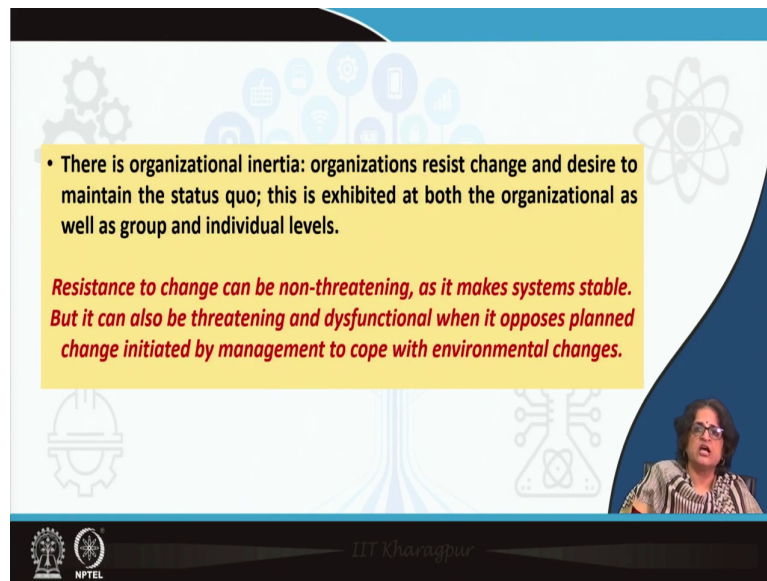
So, so why I said that was because very often people, you know, at an individual level or at a group level or at an organizational level, resist change. So, what is resistance to change? Now, resistance to change is a tendency of employees to be unacceptable and unwilling to accept changes or to allow organizational changes because of individual fears of the unknown or due to organizational impediments.

So, any form of resistance, you know, of employees to be unacceptable and unwilling to accept and allow organizational changes either because of individual fears of the unknown or due to organizational impediments is defined, is actually referred to as resistance to change.

Now, resistance to change is something which is very normal and very very universal. In fact, you know, forces within an organization act as a barriers to change and the lower effectiveness and chances of survival. And it is very very important that such forces should be countered because as we discussed earlier, organizations operate in very a complex environments, uncertain environments.

And it is very, very important for them to adapt themselves to the changing environment. And for that it is necessary that organizations undergo change. And, you know, resistance to change must be managed, so that organizations are able to, you know, manage their change and they can actually plan and manage their change very well. Now, why do people or why do you know, organize people, why do people at an individual level or at a group level or at the organizational level, resist change?

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• There is organizational inertia: organizations resist change and desire to maintain the status quo; this is exhibited at both the organizational as well as group and individual levels.

Resistance to change can be non-threatening, as it makes systems stable. But it can also be threatening and dysfunctional when it opposes planned change initiated by management to cope with environmental changes.

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There is something called an organizational inertia. Organizations resist change and the desire to maintain the status quo, you know, prevents them from the change from accepting the change efforts of the management. And this kind of an inertia is exhibited both at the organizational as well as the group and individual level.

So, there is a organizational in inertia, organizations resist change and they desire to maintain the status quo. They desire to be as they are, and this is exhibited at both the organizational level as well as the individual and group levels. So, why do people not change either is in at the individual level or at the group level or at the organizational level? It is all and all about the inertia.

Organizations resist change, they exhibit inertia and they want to maintain the status quo, and this inertia is seen at the individual level at the team or the group level as well as the

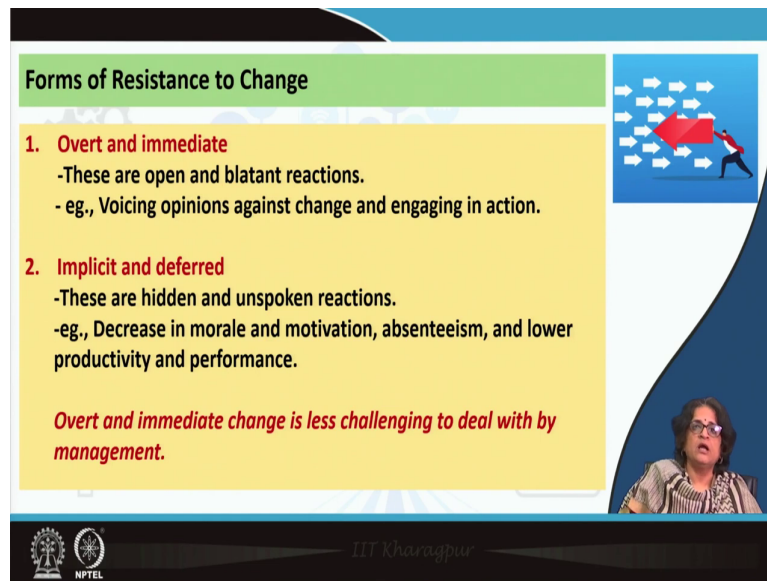
organizational level. And resistance to change is can be, you know, non-threatening as it makes the system stable, but it can also be very threatening and dysfunctional when it opposes planned change which is initiated by the organization management to cope up with environmental change.

So, if change is resisted, it is ok as long as your environments are stable. And so, resistance to change can be non-threatening as it would as it pertains to stability and it as it would also make this system more stable. But it can be very threatening and dysfunctional when it opposes the planned change initiated by the management to cope up with environmental changes.

When the top management decides to go in for organizational change, to adapt itself to the environment or to cope up with challenges of the environment and people resist it, it can be threatening for the organization and it can be dysfunctional for the organization.

What do we mean by dysfunctional? Dysfunctional, here meaning that efforts of the people instead of becoming positive are very very negative so, resistance to change can be threatening and this behaviour can be dysfunctional or damaging or non or you know, for the organization as a whole, if the effect if the efforts for change management by the top management are resisted by the people.

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Forms of Resistance to Change

- 1. Overt and immediate**
 - These are open and blatant reactions.
 - eg., Voicing opinions against change and engaging in action.
- 2. Implicit and deferred**
 - These are hidden and unspoken reactions.
 - eg., Decrease in morale and motivation, absenteeism, and lower productivity and performance.

Overt and immediate change is less challenging to deal with by management.

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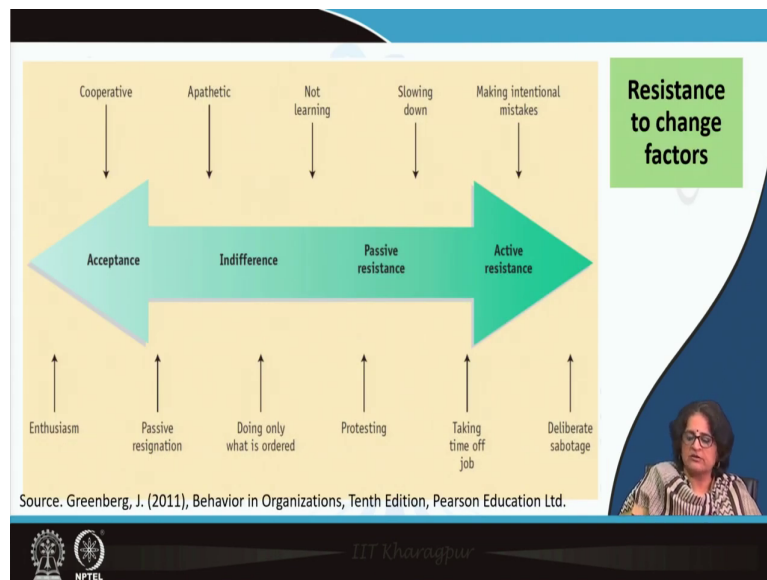
Now, what are the forms of resistance to change? Now, the forms of resistance to change can either be very overt or implicit. So, when we talk of overt changes, we are actually referring to reactions which are explicit, reactions which are immediate, and these are open and blatant reactions.

And examples are, you know, voicing opinion against change, engaging in action. So, this is something which is a very overt reaction, a very explicit reaction and immediate. Change, if effort to change can also be, you know, implicit and deferred which is you know, that very hidden reactions and very unspoken reactions where examples could be in the form of decreased, you know, motivation to work, decreased moral, absenteeism, lower productivity and performance.

So, decrease in moral and motivation, absenteeism and lower productivity and performance are you know, illustrate, are can be illustrative of implicit resistance to change or deferred resistance to change.

So, resistance to change can be overt or implicit, overt and immediate or implicit and deferred. It is overt and immediate when the reactions are open and blatant. And they are implicit and deferred when they are hidden and unspoken. So, overt is more explicit, and open and implicit is something which is hidden and unspoken.

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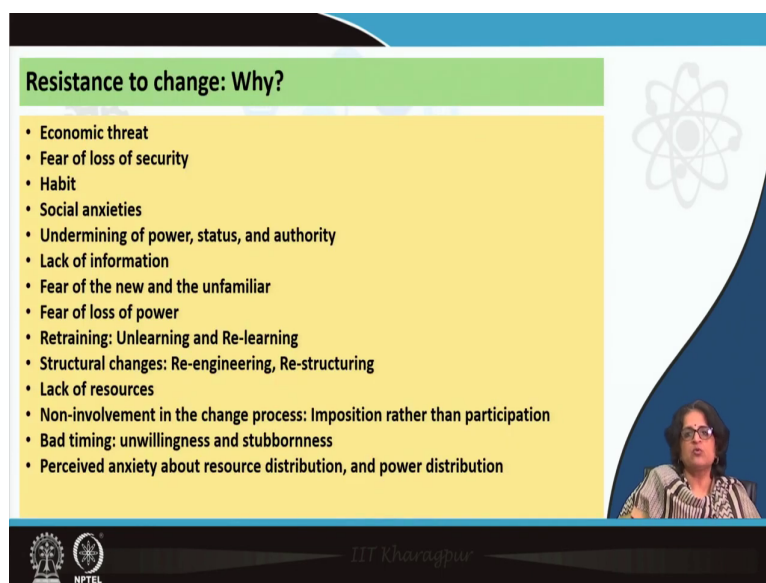


So, if you here, if you see, you know, these are different reactions, resistance to change factors and these are different reactions. On the one hand, of the continuum or of the scale

you have acceptance. On the one hand you have acceptance, on the other hand you have active resistance.

And when there is acceptance to change, there is enthusiasm, there is cooperation, there is you know, people are very happy about it. But when it is active resistance, it is people take time of the job, people make intentional mistakes and there is sabotage.

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Resistance to change: Why?

- Economic threat
- Fear of loss of security
- Habit
- Social anxieties
- Undermining of power, status, and authority
- Lack of information
- Fear of the new and the unfamiliar
- Fear of loss of power
- Retraining: Unlearning and Re-learning
- Structural changes: Re-engineering, Re-structuring
- Lack of resources
- Non-involvement in the change process: Imposition rather than participation
- Bad timing: unwillingness and stubbornness
- Perceived anxiety about resource distribution, and power distribution

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Now, why do people resist change? We will be discussing this in the subsequent session today in great length. But to summarize one reason why people resist change is economic threat, we do not, they tend to see, they are fearful of the consequences of the change and they feel that it could lead to probably a loss of job or you know that could affect their increments and commissions in a negative way. So, there is some kind of economic threat. They fear, you know, loss of job.

So, there is, you know, fear of, you know, loss of you know, fear of loss of security. They people are habituated to doing a things in a certain way, their social anxieties, they feel that you know, a change could bring about differences in power differentials, in power status authority. People often are not informed about the change or uninformed or are lesser informed or sometimes misinformed and because of that also, they fear the new and the unfamiliar. And so, you know, they also fear loss of power.

And another reason why there is this change is because they do not want to learn anything new. When you know, whenever change would happen, it would mean, you know, unlearning and then relearning and there is an inertia to that as well. People do not want to go, people do not want to unlearn and then relearn. They want to go with the familiar rather than with the unfamiliar.

Also, structural changes in the organization pertaining to reengineering, restructuring, downsizing, you know which could also relate to loss of jobs or loss of power, are also is also one of the reasons why people resist change. Sometimes people resist change because of lack of resources. They are not involved in the change process. So, so this lack of involvement of people also makes them resist change. They do not want to accept the change.

If they feel that the change is something which is being imposed on them rather than you know, they being a part of the change. So, so many times people resist change because they have not been involved in the process and they feel that the process has been a more of imposition rather than participation.

Sometimes the timing is bad, people are and people are unwilling and stubborn, and unwilling to accept change and show stubbornness, and is always is perceived anxiety about resource distribution and power distribution. All of which leads to resistance to change.

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Levels of resistance to change

Organization-Level Resistance to Change

- Inertia: Structural change; authority relationships; power; group dynamics and work group/team relationships; resource allocation etc., act as barriers to change.
 - Differences in functional orientations and perspectives, due to which various functions and divisions perceive problems differently from their viewpoint; tunnel vision approaches to perceiving the environment rather than holistically.
 - Mechanistic structure in organizations inhibits people's capacities to be receptive to change and adjust accordingly.
- Threats to existing power balance and relationships also acts as a barrier to change.
 - Conflict between functions and divisions due to fear of power imbalance of one at the expense of the others.

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Now, when we talk about resistance to change, we also talk of levels of resistance to change. We have the organizational level resistance to change, we have the group level resistance to change and we have the individual level resistance to change. So, let us discuss these one by one.

So, coming to the organizational level resistance to change you know, as I said, there is an inertia. People in the organization either as individuals or as groups or as the organizational whole, you know, exhibit some kind of a inertia, they want to maintain the status quo and so, they resist change.

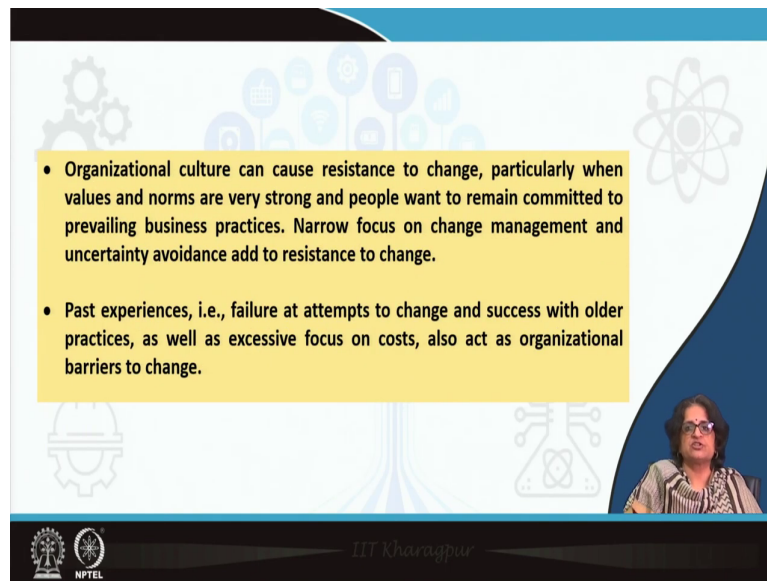
This change typically is when change relates to say structural change, authority relationships, power, group dynamics, work and team relationships, resource allocation, etcetera. All of these act as barriers to change. Now, difference in functional orientations and perspectives,

due to which various functions and divisions perceive the problems differently from their own viewpoint, you know, rather than viewing a problem holistically.

Also, you know, prevents them from accepting the fact that change is needed. And this tunnel vision approach to perceiving the environment rather than holistically perceiving it is something which you know, adds to the inertia. So, mechanistic structure and organizations also inhibits people's capacities to be receptive to change and adjust accordingly. And they want to go by the rules and regulations and procedures which have been existing.

And also another reason why resistance, that why there is a resistance to change at the organization level is because people feel a threat to the existing power balance and relationship and relationships. So, power and conflict between functions and divisions, you know, due to fear of power imbalance, you know, of one at the expense of the other is also you know, one of the reasons why organizations resist change.

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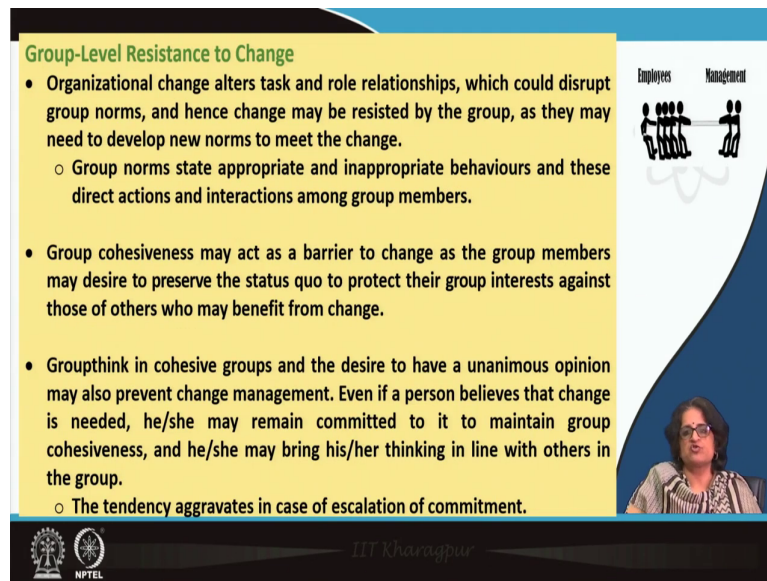
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- Organizational culture can cause resistance to change, particularly when values and norms are very strong and people want to remain committed to prevailing business practices. Narrow focus on change management and uncertainty avoidance add to resistance to change.
- Past experiences, i.e., failure at attempts to change and success with older practices, as well as excessive focus on costs, also act as organizational barriers to change.

Also, organizational culture can cause resistance to change particularly when the values of the organization, the norms of the people are very strong and people want to remain committed to the prevailing a business practices. So, a narrow focus on change management and uncertainty avoidance also acts also you know adds to you know resistance to change.

And past experiences that is failure at attempts to change you know, and you know failure at attempts to change in the past you know, and as well as excessive focus on costs, etcetera also can act as barriers to change. So, these are organizational level barriers to, organizational level resistance to change.

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Group-Level Resistance to Change

- Organizational change alters task and role relationships, which could disrupt group norms, and hence change may be resisted by the group, as they may need to develop new norms to meet the change.
 - Group norms state appropriate and inappropriate behaviours and these direct actions and interactions among group members.
- Group cohesiveness may act as a barrier to change as the group members may desire to preserve the status quo to protect their group interests against those of others who may benefit from change.
- Groupthink in cohesive groups and the desire to have a unanimous opinion may also prevent change management. Even if a person believes that change is needed, he/she may remain committed to it to maintain group cohesiveness, and he/she may bring his/her thinking in line with others in the group.
 - The tendency aggravates in case of escalation of commitment.

The slide also features a diagram on the right side showing a group of five stylized human figures labeled 'Employees' on the left and one figure labeled 'Management' on the right, connected by a horizontal line. Below the diagram is a small video inset of a woman speaking. At the bottom of the slide, there are logos for IIT Kharagpur and NPTEL.

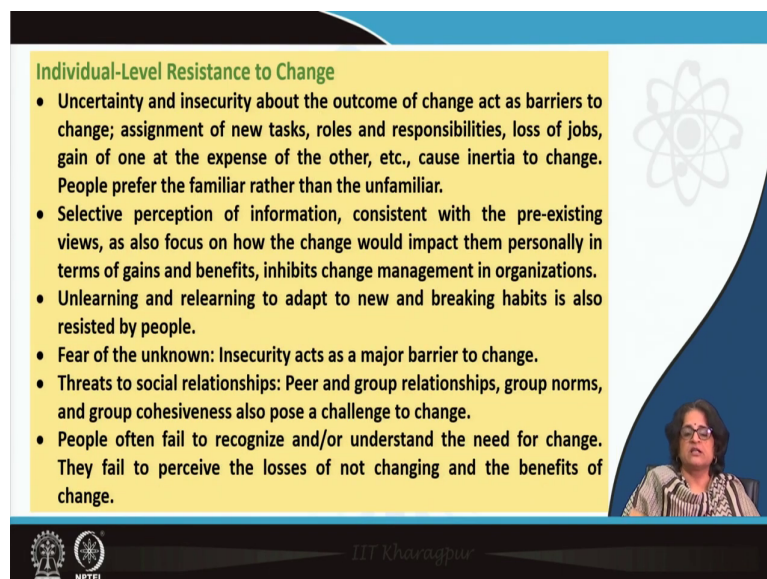
The next is group level resistance to change. So, organizational change alters task and role relationships which could disrupt group norms and hence change may be resisted by the group as they may feel that they have to develop new norms to meet the change. So, what are group norms? Group norms state appropriate and inappropriate behaviours and these direct actions and interactions amongst group members.

And so, if organizational change alters task and role relationships you know, it could disrupt group norms and this may be resisted by the group as they may feel that they are now have to develop new norms and practice them. Another reason for group level resistance to change is group cohesiveness. It may act as a barrier to change as the group members may desire to preserve the status quo to protect their group interests against the other groups who may be benefiting more than what they are benefiting from the change.

A group think in cohesive groups and the desire to have a unanimous opinion may also prevent change management. So, even if a person believes that change is needed, he or she may remain uncommitted. He or she may remain, you know, committed to it to maintain the group cohesiveness, and he or she may bring his or her thinking in line with others of the group.

So, group thinking in cohesive groups acts as a barrier because even if a person feels that change is needed, he or she may remain committed to the older norms, older beliefs, you know, older practices. So as to, you know, maintain the group cohesiveness. And he or she may not, you know, will, he or she may bring his or her thinking in line with others who are resisting change. And so, he also may resist change. So, this tendency gets aggravated in case of escalation of commitment.

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Individual-Level Resistance to Change

- Uncertainty and insecurity about the outcome of change act as barriers to change; assignment of new tasks, roles and responsibilities, loss of jobs, gain of one at the expense of the other, etc., cause inertia to change. People prefer the familiar rather than the unfamiliar.
- Selective perception of information, consistent with the pre-existing views, as also focus on how the change would impact them personally in terms of gains and benefits, inhibits change management in organizations.
- Unlearning and relearning to adapt to new and breaking habits is also resisted by people.
- Fear of the unknown: Insecurity acts as a major barrier to change.
- Threats to social relationships: Peer and group relationships, group norms, and group cohesiveness also pose a challenge to change.
- People often fail to recognize and/or understand the need for change. They fail to perceive the losses of not changing and the benefits of change.

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The third is the individual level resistance to change. So, uncertainty and insecurity about the outcome of change, as I said a short while ago, you know, acts as a barrier to change, assignment of new tasks, new roles, new responsibilities, loss of jobs, gain of one person at the expense of other. All of these, you know, create fear and cause inertia to change. People always prefer the familiar to the unfamiliar.

Selective perception of information, consisting with pre-existing views, as also focus on how the change will affect them personally in terms of gains, in terms of benefits, also enabled change management in organizations. Unlearning and relearning you know, to adapt to new, new would mean breaking old habits and that again is resisted. People want to go with the familiar rather than with the unfamiliar.

They want to you know; they want to continue with their habits. So, also the fear of unknown insecurity related to you know, job relating to the status, power, balance, etcetera may be a barrier to change. Sometimes change is resisted because of threat to social relationships. So, peer and group relationship, you know, a group norms and group cohesiveness also pose challenge to change.

People often fail to recognize and understand the need for change. As I said in the beginning of my first lecture that, you know, people often fail to realize that change is needed and they fail to accept it. And that is again one of the reasons why they resist change. People fail to perceive the losses of not changing and the benefits of change. So, these are all you know, levels of resistance to change.

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Overcoming resistance to change

Tactics for dealing with resistance to change:

- **Communication:**
 - Create a vision and strategy for change; explain the need/logic for change, and practice rational persuasion; establish the urgency for change; educate the workforce.
 - Information sessions reduce employees' anxieties regarding the change and increase employee commitment to change.
- **Implement change fairly and consistently: transparency is essential; also create trust.**

"The key to success is often the ability to adapt" Confucius

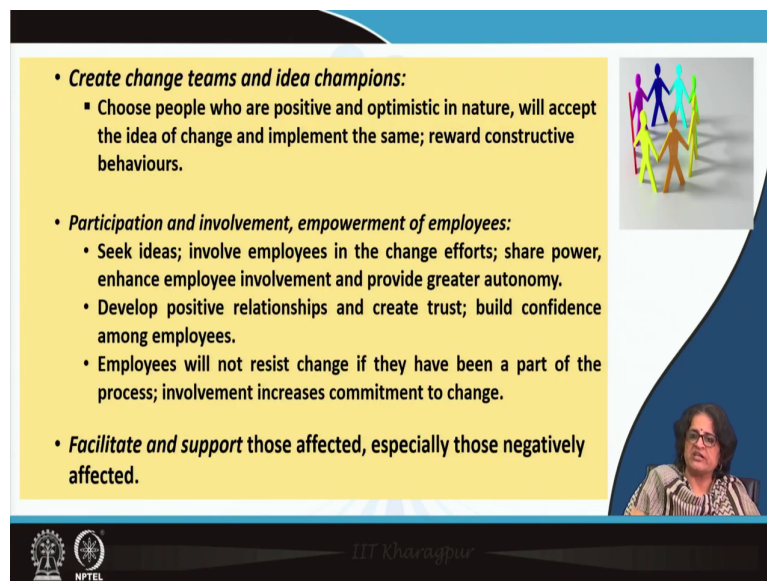
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Now, how do organizations overcome resistance to change? So, this brings us to the tactics for dealing with change, tactics for dealing with resistance to change. So, first is communication. First and foremost, management must create a vision and strategy for change. Explain the need or the logic for change and adopt rational persuasion as a strategy.

Try to rationally persuade the people, explain to them why the change is needed, explain to them and make them understand the urgency for change. So, educate the workforce, through such you know, communication, through such spread of information, through such education of the workforce, the workforce would be more receptive to the idea of change. So, information sessions reduce, employee's anxieties regarding the change and increase the employee commitment to change.

So, a second is implement change fairly and consistently. Transparency is very, very essential. You know, information flows should be transparent and equal treatment should be meted out to all. Because when there is fairness, when there is you know equity of you know treatment and when there is transparency, it also creates a lot of trust. So, implement change fairly and consistently.

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The slide features a yellow background with three main bullet points. The first bullet point is 'Create change teams and idea champions', which includes a sub-bullet: 'Choose people who are positive and optimistic in nature, will accept the idea of change and implement the same; reward constructive behaviours.' The second bullet point is 'Participation and involvement, empowerment of employees', which includes three sub-bullets: 'Seek ideas; involve employees in the change efforts; share power, enhance employee involvement and provide greater autonomy.', 'Develop positive relationships and create trust; build confidence among employees.', and 'Employees will not resist change if they have been a part of the process; involvement increases commitment to change.' The third bullet point is 'Facilitate and support those affected, especially those negatively affected.' To the right of the text is an image of five colorful stick figures holding hands in a circle. Below the text is a small inset video of a woman with glasses speaking. At the bottom of the slide, there are logos for IIT Kharagpur and NPTEL.

- **Create change teams and idea champions:**
 - Choose people who are positive and optimistic in nature, will accept the idea of change and implement the same; reward constructive behaviours.
- **Participation and involvement, empowerment of employees:**
 - Seek ideas; involve employees in the change efforts; share power, enhance employee involvement and provide greater autonomy.
 - Develop positive relationships and create trust; build confidence among employees.
 - Employees will not resist change if they have been a part of the process; involvement increases commitment to change.
- **Facilitate and support those affected, especially those negatively affected.**

Third is create change teams and idea champions. We will be talking about change agents in the subsequent lecture. So, we will identify people who can bring, who can initiate change, spread the idea of change and you know, bring about change in the organization. Such people are referred to as change agents or idea champions.

And so, management must actually choose people who are positive and optimistic in nature, will accept the idea of change and implement the change. And such you know, leaders or such change teams or such idea champions must be rewarded. So, reward constructive behaviours.

Fourth, a participation and involvement, and empowerment of employees: As I said a little while ago, a lot of time people resist change because they feel that they have not been a part of it. The new, the changed structure, policies, procedures, you know, have all been in or technology have all been imposed on them rather than they having being a part of the process.

Even people are a part of the process, they feel more, you know, responsible for towards it, they want to own up, they want to own the process, they want to own the responsibility and they are more, you know, they feel they are part of the change. And they would want to continue to be a part of the change process, and they would be putting in all their efforts towards that. They will be more committed to it.

In case of participation, people feel a part of the process. And because they feel that they are a part of the process, they are more they accept the process willingly and are even are highly committed to ensure that whatever has been planned is executed or is implemented. So, it is very, very important that manager that managers involve the people in the change process. They must be, you know, allowed to participate in the process, they must be highly involved and people should be empowered.

So, it is important that ideas are sought, you know, and management must seek ideas, involve employees in the change efforts, share power, enhance, employ, involvement, provide them with greater autonomy, develop very positive relationships, create trust, build confidence amongst employees.

And you know, employees, as I said, will never resist change if they have been a part of the process. So, in involvement and participation and empowerment will increase their commitment to change. The next thing which managers must do to deal with this resistance is to facilitate and support those who have been affected by the change, especially those who

have been negatively affected. So, management must ensure that they support those who have been negatively affected by the changed process.

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- **Manipulation and cooptation:**
 - Manipulation involves covert influence attempts, eg., distorting information and facts to make them appear attractive, suppression of information, creating rumours etc.
 - Cooptation involves manipulation as well as participation, eg., buy offs by offering key roles and positions.
- **Coercion (explicit and implicit):**
 - Make use of force and authority, and threat and punishment if resistance is very high; identify and defuse/punish change resisters.

Another way to actually, you know, deal with resistance to change is through manipulation and co-optation. This is also one of the tactics to deal with resistance to change. A manipulation involves covert influence attempts like distorting information and facts to make them more attractive, separation of information, creating rumours, etcetera. So, manipulation could also be used.

And, you know, another tactic to fight resistance to change is through co-optation. Co-optation involves manipulation as well as participation, that means, you know buying buy-offs by offering key roles and positions. So, those people who are who would resist

change are given some stakes and because, you know, given some stakes or given some offers or some rewards and in the form of positions or roles.

And because those people, you know, have been assigned roles or positions, they are and they are co-opted, the resistance to change becomes lesser. Because such people then would not want to resist change, they would not want to resist a process of which they are actually a part, ok. So, through manipulation co-optation also, managers will be able to resist, you know, resist, they will be able to resist change efforts by you know which, which planned change efforts.

Finally, we have coercion, coercion or force, use a force which could be explicit and implicit. In case, people are highly, you know, opposed to change, the management may think of using force and authority and threat and punishment. You know, especially in cases when resistance is very, very high, so they must identify and diffuse and or punish the change resistors.

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Responses to resistance

Identifying and Responding to People who resist Change

It generally is not difficult to identify employees who are most resistant to change. The things they say give them away. Unless such statements are immediately countered, they run the risk of spreading resistance further throughout the company. Here are some statements that reflect an underlying resistance to change and some guidelines for responding to them.

WHEN THEY SAY . . .	YOU SHOULD COUNTER BY SAYING . . .
That seems risky.	Yes, but the risk is worth taking. After all, it is even riskier to do nothing.
Let's get back to basics.	The world has changed so much that what once seemed appropriate because it was "basic" no longer works today.
It worked in the past.	Maybe so, but as conditions have changed, there is reason to consider a new approach.
Things are okay as they are.	Possibly, but unless we take action, things are unlikely to be okay in the future.
I don't see any threat.	There's always a threat. Just because you don't see any compelling threat doesn't mean that one doesn't exist.
That's not our core competence.	Just because a particular area used to be an organization's core competence doesn't mean that it should stay that way.
The numbers don't work.	In the new Internet-based economy, new rules of accounting may be considered.
Once we start down that road, we can never go back.	Don't be afraid of relinquishing control. Anything that doesn't work can be stopped.
There will be unforeseen consequences.	This is always the case. In fact, that is precisely why it is necessary to consider making changes.

Source: Reich (2000). IN Greenberg, J. (2011), Behavior in Organizations, Tenth Edition, Pearson Education Ltd.

Resistance to change

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The next is responses to resistance. Now, you know, in organizations when resist, when change management is taken up as a deliberate effort, people often question. And, you know, there are some questions which need to be answered. So, that and responded to, so that these, the people who actually raise these questions, do not spread them around and create more problem for the organization.

So, you know, Reich has proposed that, you know, there will be people who will question the change and they will make certain statements and unless such statements are immediately countered. There is always this risk of spreading resistance throughout the organization.

So, when employees say that this is risky, you should counter by saying yes, but the risk is worth taking. After all, it is even riskier to do nothing. Or if they say let us get back to basics,

you should say, you should counter and to this is a world has changed so much that what once seemed appropriate because it was basic no longer works today, ok.

Somebody would say, well, why should we change, it worked in the past? The answer should be well, maybe so, but as conditions have changed, there is reason to consider a new approach. Similarly, if somebody says numbers do not work, the response should be in the new internet based economy, new rules of accounting may be considered.

If somebody says there will be unforeseen consequences, the reply should be that, you know, there is always this case, the case, you know, in fact, that is precisely why it is necessary to consider making a change, ok. If somebody says there will be unforeseen consequences, you must say, this is always be there. And this is precisely the reason why it is necessary to consider making things happen? Because these unforeseen consequences may also be positive for the organization.

So, according to Reich, people will question change and as they question change, as they make certain statements which question change. It is very important that they are responded to; otherwise, they could spread in the organization and lead to further resistance to change.

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Situational responses

Situation-based Strategies for Overcoming Resistance to Change

An effective way to approaching how to overcome resistance to change is to consider the nature of the situation in which change is required and to respond accordingly. Some important ways of overcoming resistance to change in various situations are summarized here.

IN SITUATIONS IN WHICH ...	RESISTANCE TO CHANGE SHOULD BE OVERCOME BY ...	THIS IS EFFECTIVE BECAUSE ...
Information is lacking or is inaccurate	Educating employees and communicating with them	Employees can help make the changes once they appreciate their importance
Management doesn't know what type of change is best	Involving employees in the process of making the change	Employees' commitment to change will be enhanced
Employees are concerned about losses resulting from change	Negotiating an agreement about other aspects of work	It finds a way for employees to win, thereby offsetting their losses
Changes are vital and must be made immediately	Imposing the required changes	Time is of the essence; explanations can follow

Source: Kotter (1995). IN Greenberg, J. (2011), Behavior in Organizations, Tenth Edition, Pearson Education Ltd.

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(Refer Time: 24:56) You know, Kotter spoke about situational responses where he spoke about situation-based strategies for overcoming resistance to change. And he says that in situations in which information is lacking or is inaccurate, resistance of change should be overcome by educating people and communicating with them.

And this is effective because employees will then make changes once, you know, that will help make the changes once they appreciate the importance of why the change is being made, ok. Similarly, in situations where management does not know what type of change is best. Resistance of change should be overcome by involving employees in the process of making the change. So, employees will be more committed to change and the process will get enhanced.

You know, in situations where changes are white line must be made immediately; the resistance to change should be overcome by imposing the required changes. And, you know, this is effective because, you know, explanations can follow later on. What is more important is the consistency is the time, is that is action has to be taken now. So, time is the essence.

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TYPES OF CHANGE

1. Structural:

- these changes are non-reversible and require a permanent alteration.
- a permanent transformation has occurred, and what has emerged is a fundamentally new form.

2. Cyclical:

- over a period of time, cyclical changes follow an arrangement or a pattern in their variation, returning repeatedly and frequently to the prior state.
- they require only a temporary alteration/modification/amendment.

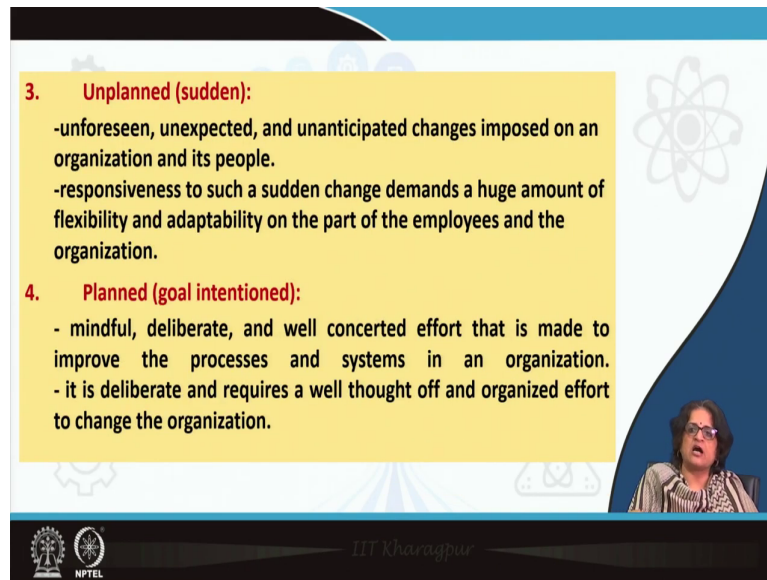
The slide features a circular diagram on the right with the text "Cycle Patterns of Change" and a small video inset of a woman in the bottom right corner. Logos for IIT Kharagpur and NPTEL are visible at the bottom.

Now, we come to the types of change. Now, when we there are 4 different types of change, structural, cyclical, unplanned and planned. So, structural changes are non-reversible changes and require permanent alteration. A permanent transformation has occurred and that and what has emerged is fundamentally a new form. This is a structural change.

A cyclical change is one which happens over a period of time. Cyclical changes follow an arrangement or a pattern in their variation. And there is, you know, repeatedly returning you know, to the prior stage, frequent returning to the prior stage. So, cyclical changes follow an

arrangement and or a over a period of time. They require only a temporary you know, amendment or alteration or modification.

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3. Unplanned (sudden):

- unforeseen, unexpected, and unanticipated changes imposed on an organization and its people.
- responsiveness to such a sudden change demands a huge amount of flexibility and adaptability on the part of the employees and the organization.

4. Planned (goal intentioned):

- mindful, deliberate, and well concerted effort that is made to improve the processes and systems in an organization.
- it is deliberate and requires a well thought off and organized effort to change the organization.

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The third is an unplanned or a sudden change which as the term goes is unforeseen, unexpected, unanticipated and responsiveness to such sudden change in demands a huge amount of flexibility and adaptability on the part of the organization and on the part of the employees.

And the fourth kind of a change is a planned change which is a goal intentioned change. It is a deliberate change, well concerted effort that is made to improve the systems and processes in the organization. And it is a deliberate change which requires a well-thought of an organized effort to change the organization.

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PROCESS OF CHANGE

Driving or facilitating forces:
- Forces that promote change; they help an organization towards change so that it can fulfil its goals and purposes, and increase its performance and effectiveness.

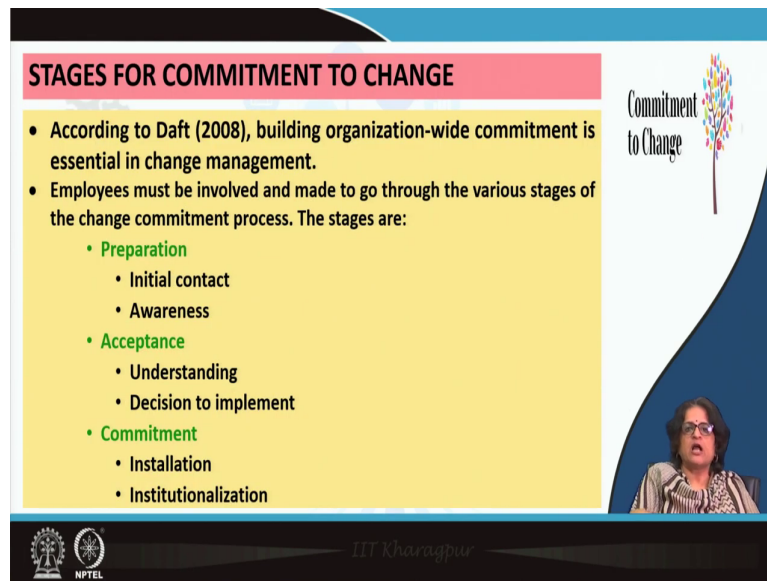
Restraining or hindering forces:
- Forces that prevent change; they act as barriers and prevent an organization move towards change.

The slide features a blue and white background with faint icons of gears, a lightbulb, and a network diagram. A small inset video of a woman is visible in the bottom right corner. The NPTEL logo and 'IIT Kharagpur' are at the bottom.

Now, we come to the process of change. So, when we talk of change, there are certain driving or facilitating forces to change and there are certain restraining or hindering forces to change. Now, the forces that promote change are driving or facilitating forces because they have the organization move towards it. And, you know, they help the organization towards change, so that it can fulfil its goals, its purposes and increase its effectiveness, increase its performance.

Apart from that, there are also restraining or hindering forces. These are forces that prevent change; they act as barriers and prevent an organization moving towards change. So, process, so when we talk of change, force change, forces could be either driving or facilitating forces which will drive a company towards change and they are restraining or hindering forces which will prevent an organization to move from change. So, they act as barriers to change.

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STAGES FOR COMMITMENT TO CHANGE

- According to Daft (2008), building organization-wide commitment is essential in change management.
- Employees must be involved and made to go through the various stages of the change commitment process. The stages are:
 - **Preparation**
 - Initial contact
 - Awareness
 - **Acceptance**
 - Understanding
 - Decision to implement
 - **Commitment**
 - Installation
 - Institutionalization

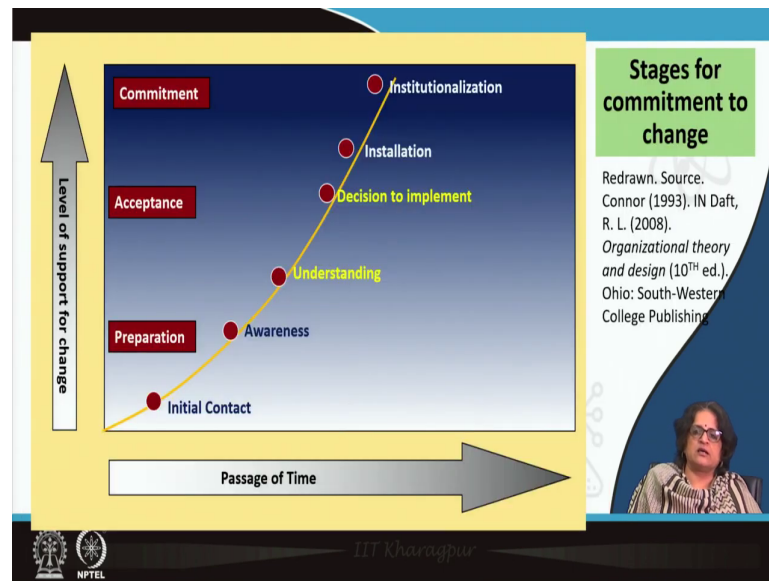
Commitment to Change

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Now, we come to the stages for commitment to change. According to Daft, building organization-wide commitment is essential for change management. Employees must be made, you know, must be involved and made to go through the various stages of the change management process. And he actually explains the process in, you know, as 3 stages of preparation, acceptance and commitment.

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So, according to Daft, you know, change management must, change management requires organization wide commitment to change. And there are these 3 stages of preparation, acceptance and commitment. Preparation involves stages of initial contact and awareness. Acceptance involves stages of understanding and decision to implement. And commitment involves stages of installation and institutionalization.

In the first stage, which is preparation, which has initial contact and awareness, employees in an organization hear about the change and realize that the change is going to have an impact on them.

In the second stage of acceptance, which involves, which includes understanding and decision to implement, the leaders or the top management, explain the change and the rationale. They help the employees gain an idea and comprehension of the change, its effect, the positive

consequences of the change. If and when employees are convinced that the change is positive and the change will bring about positive consequences, the decision to execute is taken.

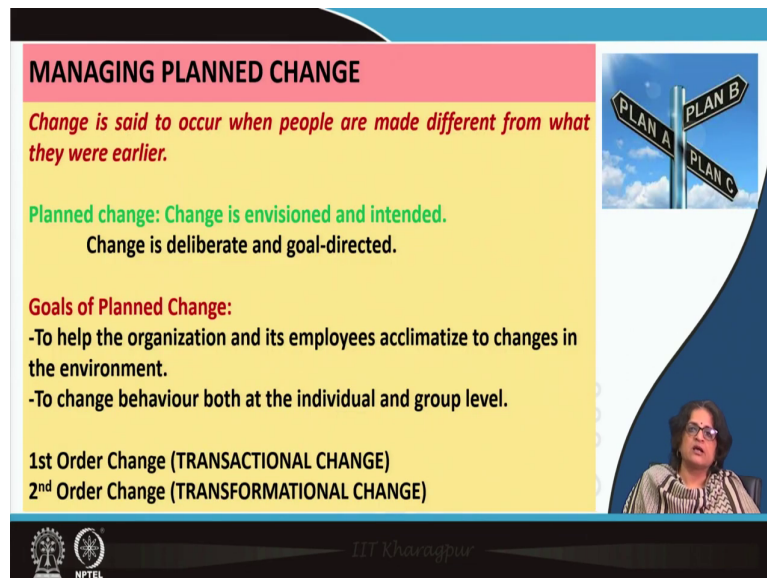
The third stage is the commitment which is, which involves installing installation and institutionalization. So, in you know, this is wherein the actual commitment process begins. So, installation is the initial, is actually the initiation and the trial process for bringing about a change. People's concerns are addressed and commitment to action is generated.

And in institutionalization it is a stage when the employees view the change as a standard and integral part of the organizational procedure. So, you have these 3 stages, preparation, acceptance, commitment in the first stage. Employees realize that there is a need for change and it would affect, they hear about the change, they hear about the change, and they realize that the change is going to impact them.

In the second stage, the leaders explain the need for the change, they give the rationale for the change, and if people are convinced, they get ready to implement, the decision to execute is taken. And the third stage it is in a, it is the initiation and a trial process for bringing about the change which is installation. People's concerns are addressed and commitment to action is generated.

And in the final stage of commitment which is institutionalization, you know, employees view change as a standard and as an integral part of the organizational procedure.

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MANAGING PLANNED CHANGE

Change is said to occur when people are made different from what they were earlier.

Planned change: Change is envisioned and intended.
Change is deliberate and goal-directed.

Goals of Planned Change:

- To help the organization and its employees acclimatize to changes in the environment.
- To change behaviour both at the individual and group level.

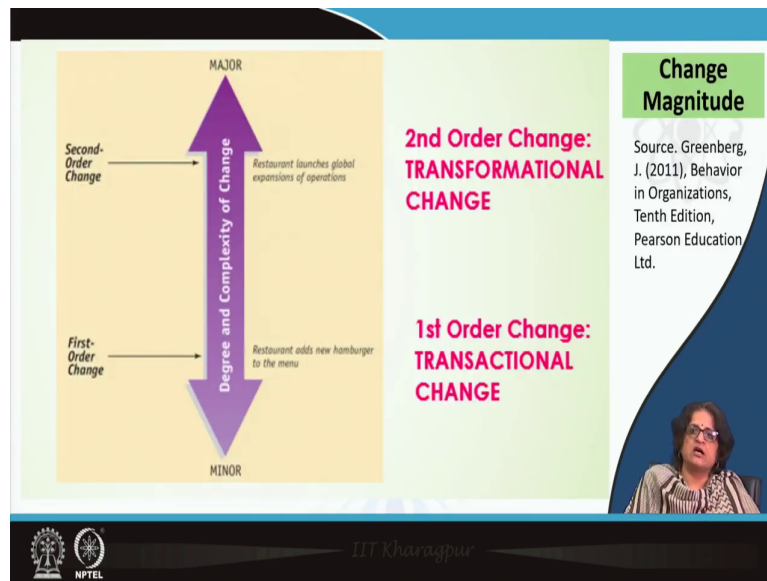
1st Order Change (TRANSACTIONAL CHANGE)
2nd Order Change (TRANSFORMATIONAL CHANGE)

The slide features a yellow background for the text and a blue background for the images. On the right, there is a photograph of a woman with glasses and a patterned top. Above her is a photograph of a road signpost with three signs labeled 'PLAN A', 'PLAN B', and 'PLAN C' pointing in different directions. At the bottom left, there are logos for IIT Kharagpur and NPTEL.

Finally, we come to the managing planned change. So, change is said to occur when people are made different from what they were earlier, processes are made different to what they were earlier, Systems are made different to what they were earlier.

So, planned change is which is deliberate, goal directed, it is envisioned and it is intended. And the goals of planned change are basically to help the organization and its people, acclimatize to changes in the environment and to change behaviour both at the individual level as well as the group level.

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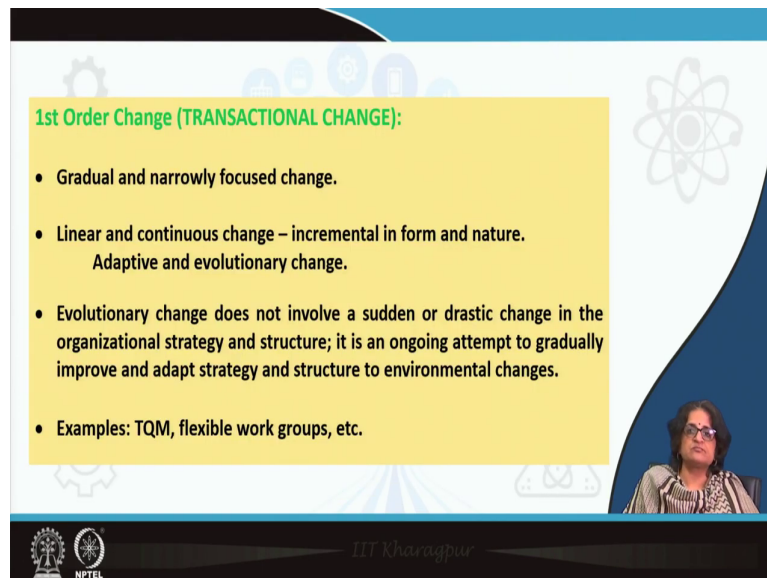


We talk of such changes or such planned change as a 1st order change and a 2nd order change. In the 1st order change, you know, we also call it the transactional change. You know it is the degree of complexity of change is minor or is small and, but as we move to the 2nd order change or the transformational change, the degree of complexity of change is very high, it is very major.

So, if you look at it, you know, planned change is envisioned, intended, goal directed and it is intended to have the organization and its employees to acclimatize to changes in the environment and this kind of change happens both at the individual and the group level. The first level, sorry, the 1st order change is a transactional change; the 2nd order change is a transformational change.

The 1st order change brings minor changes and the degree and complexity of change is low. But in the 2nd order change, that the it is a it is a major change and the degree and complexity of change is also very, very major.

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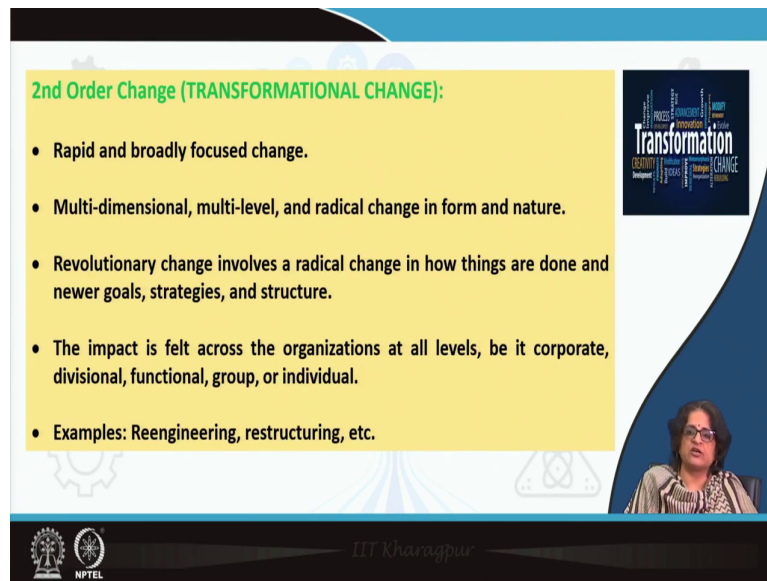
1st Order Change (TRANSACTIONAL CHANGE):

- Gradual and narrowly focused change.
- Linear and continuous change – incremental in form and nature. Adaptive and evolutionary change.
- Evolutionary change does not involve a sudden or drastic change in the organizational strategy and structure; it is an ongoing attempt to gradually improve and adapt strategy and structure to environmental changes.
- Examples: TQM, flexible work groups, etc.

The slide features a yellow background for the text, a blue and white decorative border, and a small inset image of a woman speaking in the bottom right corner. Logos for IIT Kharagpur and NPTEL are visible at the bottom.

So, in the 1st order change, very gradual and narrowly focused, you know, change happens. It is linear and continuous change, incremental in nature, very evolutionary and adaptive does not involve a sudden change in the structure or in the strategy. So, it is going to an ongoing attempt to improve and adapt strategy and structure to the environment. For example, you have total quality management or work groups which are examples of how 1st order change has happened in organizations.

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2nd Order Change (TRANSFORMATIONAL CHANGE):

- Rapid and broadly focused change.
- Multi-dimensional, multi-level, and radical change in form and nature.
- Revolutionary change involves a radical change in how things are done and newer goals, strategies, and structure.
- The impact is felt across the organizations at all levels, be it corporate, divisional, functional, group, or individual.
- Examples: Reengineering, restructuring, etc.


The slide features a word cloud on the right side with the word 'Transformation' as the central and largest term. Other words in the cloud include 'CHANGE', 'RESTRUCTURING', 'REENGINEERING', 'IMPACT', 'LEVELS', 'CORPORATE', 'DIVISIONAL', 'FUNCTIONAL', 'GROUP', 'INDIVIDUAL', 'RADICAL', 'BROADLY', 'FOCUSED', 'MULTI-DIMENSIONAL', 'MULTI-LEVEL', 'FORM', 'NATURE', 'NEWER', 'GOALS', 'STRATEGIES', 'STRUCTURE', 'HOW', 'THINGS', 'DONE', 'DIFFERENT', 'WAYS', 'METHODS', 'TECHNIQUES', 'TOOLS', 'SOFTWARE', 'HARDWARE', 'INFRASTRUCTURE', 'ORGANIZATION', 'CULTURE', 'VALUES', 'BELIEFS', 'ATTITUDES', 'BEHAVIORS', 'PRACTICES', 'PROCESSES', 'SYSTEMS', 'TECHNOLOGIES', 'INNOVATIONS', 'DISRUPTIONS', 'TRANSFORMATIONS', 'EVOLUTIONS', 'REVOLUTIONS', 'PARADIGMS', 'SHIFT', 'TRANSITION', 'ADAPTATION', 'RESILIENCE', 'AGILITY', 'EMBRACE', 'EMPOWER', 'ENGAGE', 'ENLIGHTEN', 'ENRICH', 'ENHANCE', 'ELEVATE', 'EMULGATE', 'EMPOWER', 'EMBRACE', 'ENLIGHTEN', 'ENRICH', 'ENHANCE', 'ELEVATE', 'EMULGATE'.

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On the other hand, when we talk of the 2nd order change it is a more transformational change, rapidly and broadly focused change, multi-dimensional, multi-level, radical change. And it basically, brings about a radical change in how things are done in newer goals, newer structures, newer strategies.

And impact is felt at all levels be it at the individual or the group or the functional or the divisional or the corporate level and examples here could be in the form of reengineering and restructuring.

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CONCLUSION

This brings us to the end of the second lecture.

We shall continue with the topic in the next lecture.

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With this, I come to an end of this lecture, these are the references. We shall continue with the topic in the next lecture.

Thank you.