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Semester- MBA (HR) IV

Course- (MB HC 41) Management of change (Unit-III)

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# **HRD AND ORGANISATIONAL CHANGE**

#### INTRODUCTION

organizations have to keep on changing in order to remain competitive and have competitive advantage as they are operating in an environment that is fast paced and changing continuously. Improvement in employee performance can help boost the production and increase sales of an organization. Growth in mergers, acquisition and alliances, organizational restructuring, global competition and rapidly changing technology are the accepted forces of change. Organizations that want to go global are likely to seek Human Resource Development (HRD) professionals for support and advice. Employees are the implementers/drivers of any desired change in an organization and should therefore be involved in the planning for change. It is the responsibility of Human Resource (HR) professionals to protect the employees against the side effects of inevitable changes and to ease the effect of changes in the organizations change agents.

Vital role of maximizing organization's human resource is played by the HR practitioners as it is critical for accomplishing key organizational process through the support of employee behaviour and accordingly proceed to have a successful organization. When the employees are involved they will own the change.

HR Practitioners have been assigned many roles such as specialists in service provision, provision of guidance and advice, business partner, a strategist as well as change agent. The change agent comes in handy because he/she facilitates this change through the personnel. He/she is able to gain commitment from the employees. He/she is able to facilitate change by having a potential impact on employees in all major projects.

#### ORGANIZATIONAL CHANGE MANAGEMENT

Organizational change management as the transformation and modification of whole organizations, or parts, in an effort to maintain or improve upon the effectiveness in productivity, revenue, market competitiveness and internal alignment. Change management is an approach to transitioning individuals, teams and organizations to a desired future state. He continues and posits that change management is the utilization of basic structures and tools to control any organizational change effort. It is an organizational process aimed at helping employees to accept and embrace changes in their current business environment as they are the lifeblood of a company.

The environment of the 21st century is turbulent and uncertain and organizations which manage change effectively by continuously adapting their systems, strategies, cultures, products and bureaucracies are branded as masters of renewal.

The century is moving forward at a rapid pace; people are becoming more technologically advanced, have higher expectations, open to globalization and growing more innovative with each passing day. Change as value adding companies due to their consistently emerging needs to keep up with customers' needs and business should continuously reframe their strategies, corporate culture, technologies, training and deployment and their leadership or leadership styles to remain relevant.

HR can play a most important part in change as Human Resource Management strategies are concerned with the future, the unknown, thinking of and learning how to do things differently, performing things differently and handling its implementation. Organizations that have integrated their human resource management policies with the strategies and the strategic change process, training, and employee relations manage their change successfully.

HR Practitioners in past have been tagged as administrators but firms wants HR function to go beyond the delivery of cost effective administrative and provide expertise on how to leverage human capital. HR practitioners' roles as business partners and leader of change has also been received. The function of HR has become more multifaceted as the pace of change quickens, requiring a transition toward more value-added roles such as the role of change agent. HRD practitioners have critical role to play to ensure that the change process runs smoothly as change in itself causes a high level of turmoil on organizations.

#### **MODEL OF CHANGE**

## 1) Lewin's Change Management Model

Lewin's Change Management Model is one of the most popular and effective models that make it possible for us to understand organizational and structured change. This model was designed and created by Kurt Lewin in the 1950s, and it still holds valid today. Lewin was a physicist and social scientist who explained the structured or organizational change through the changing states of a block of ice. His model consists of three main stages which are: unfreeze, change and refreeze. Let's look at these stages in detail:

- Unfreeze: The first stage of the process of change according to Lewin's method involves the preparation for the change. This means that at this step, the organization must get prepared for the change and also for the fact that change is crucial and needed. This phase is important because most people around the world try to resist change, and it is important to break this status quo. The key here is to explain to people why the existing way needs to be changed and how change can bring about profit. This step also involves an organization looking into its core and re-examining it.
- Change: This is the stage where the real transition or change takes place. The process may take time to happen as people usually spend time to embrace new happenings, developments, and changes. At this stage, good leadership and reassurance is important because these aspects not only lead to steer forward in the right direction but also make the process easier for staff or individuals who are involved in the process. Communication and time thus are the keys for this stage to take place successfully.
- Refreeze: Now that the change has been accepted, embraced and implemented by
  people, the company or organization begins to become stable again. This is why the
  stage is referred to as refreeze. This is the time when the staff and processes begin
  to refreeze, and things start going back to their normal pace and routine. This step
  requires the help of the people to make sure changes are used all the time and
  implemented even after the objective has been achieved. Now with a sense of
  stability, employees get comfortable and confident of the acquired changes.

## 2) McKinsey 7 S Model

McKinsey 7-S framework or model is one of those few models that have managed to persist even when others came in and went out of trend. It was developed by consultants working for McKinsey & Company in the 1980s and features seven steps or stages for managing change.

## Stages

- **Strategy** Strategy is the plan created to get past the competition and reach the goals. This is the first stage of change according to McKinsey's 7-S framework and involves the development of a step-by-step procedure or future plan.
- **Structure** Structure is the stage or attribute of this model that relates to the way in which the organization is divided or the structure it follows.
- **Systems** In order to get a task done, the way in which the day-to-day activities are performed is what this stage is related to.
- **Shared values** Shared values refer to the core or main values of an organization according to which it runs or works.
- Style The manner in which the changes and leadership are adopted or implemented is known as 'style'.
- Staff The staff refers to the workforce or employees and their working capabilities.
- **Skills** The competencies as well as other skills possessed by the employees working in the organization.

## Benefits of this model

- This model offers ways and methods to understand an organization and get a deep insight into the way it works.
- This model integrates both the emotional as well as the practical components of change that is something that is important to create ways to enable employees deal with transition easily.
- This model considers all parts to be important and equally worth addressing and thus does not leave out some aspects that may be of importance.
- This model also offers directional factor to organizational change.

## Disadvantages of this model

• Since all the factors are interrelated and interdependent on one another, the failing of one part means failing of all and this is the greatest disadvantage of this model.

- This model is complex as compared to the others and differences are not focused upon in it.
- Organizations that have used this model have experienced more cases of failure,
   and this too can be considered as one negative associated with it.

## 3) Kotter's change management theory

Kotter's change management theory is one of the most popular and adopted ones in the world. This theory has been devised by John P. Kotter, who is a Harvard Business School Professor and author of several books based on change management. This change management theory of his is divided into eight stages where each one of them focuses on a key principle that is associated with the response of people to change.

# Stages

- **Increase urgency** This step involves creating a sense of urgency among the people so as to motivate them to move forward towards objectives.
- Build the team This step of Kotter's change management theory is associated
  with getting the right people on the team by selecting a mix of skills, knowledge and
  commitment.
- Get the vision correct This stage is related to creating the correct vision by taking into account, not the just strategy but also creativity, emotional connect and objectives.
- **Communicate** Communication with people regarding change and its need is also an important part of the change management theory by Kotter.
- Get things moving In order to get things moving or empower action, one needs
  to get support, remove the roadblocks and implement feedback in a constructive
  way.
- Focus on short term goals Focusing on short term goals and dividing the
  ultimate goal into small and achievable parts is a good way to achieve success
  without too much pressure.
- Don't give up Persistence is the key to success, and it is important not to give up
  while the process of change management is going on, no matter how tough things
  may seem.
- Incorporate change Besides managing change effectively, it is also important to reinforce it and make it a part of the workplace culture.

## Benefits of this model

- This is a step-by-step model that is easy to follow and incorporate.
- The main idea behind it is to accept the change and prepare for it rather than changing itself.

## Disadvantages of this model

- Since it is a step-by-step model, no step can be skipped to reach the one after that.
- The entire process given in this model can be very time-consuming.

## The Human Resource Development Change Agent's Role

Change agents are the persons who initiate change and manage change in the organizations. They are specialized in theory and practice of managing changes. The HRD can support the introduction of new technology through staff training of the operations of the new technology. A person responsible for organizing and coordinating the overall change effort can be a change agent. He/she can either be an internal change agent who is frequently a sub set for organizational leaders or an external change agent, who are most likely to be consultants or managers brought in to invoke change. The role of HRD as change agent might fail if it does not strongly define the process and priorities of change effort as the role of HR in driving changes varies among different organizations.

During recruitment of staff when an organization needs to employ new employees, the HR should be able to help this task to proceed smoothly without a hitch. This is because they are able to hold the tasks related to change. Customer needs and expectations are also evaluated. This is used to evaluate the business satisfaction to the customers.

The role played by the HRD professional has equally changed with the change in the organizational environment. In the past the prime responsibility of HRD professionals was

- to identify, select and evaluate training programmes which could be external or internal and
- deal with the performance of the employees through designing or customizing training intercessions
- . Therefore, training intervention was the main focus of HRD

- at present the HRD Professionals acts as Strategic adviser to help the decision makers on issues related with HRD.
- They also play the role of an HR systems designer and developer by assisting the HR management in designing and developing HR systems in an organization to increase its performance
- They also act as organizational change agents by helping the management in designing and implementing change strategies to transform the organization
- HR practitioners comprises both strategic partner and change agent roles
- HRD Professionals may performance a proactive role in change management as they are in a good position.
- HRD professionals are uniquely positioned to take responsibility for this role in the organization as it deals with the culture of a firm.
- HRD roles have been transformed to strategic business partner, internal consultant and change agent.

## The Human Resource Development Specialist as Change Agent

Human Resource Development change agents are categories in four dimensions which are

- 1. transformational:-Transformational change is a major change that has a dramatic effect on HR policy and practice across the whole organization.
- 2. Incremental:- Incremental change is gradual adjustments of Human Resource policy and practices that affect single activities or multiple functions.
- 3. Human Resource vision:- HR vision is a set of values and beliefs that affirm the legitimacy of the Human Resource function as strategic business partner.
- 4. Resource expertise:- Human Resource Development expertise is the knowledge and skills that define the unique contribution the Human Resource professional can make to effective people management

The change agent roles that can be carried out by Human Resource Development professional are

change champions,

- change adapters,
- change consultants and
- change synergists.

## **Change Champions**

Align Human Resource with the business strategy and provide "sponsorship for strategic change" Proactive and persuasive. Have credibility (which is directly linked to business experience), Possess analytical skills (e.g. gap analysis) and political skills (to make change happen) Take risks, inspire people and make them aware of the need for change.

## **Change Adapters**

HR generalists who implement the change in business units and functional areas "Translate the vision into practical actions" and are involved in the implementation process. Need to encourage, persuade, empower & challenge the line.

## **Change Consultants**

Consultant the change agent assists the workers to generate data from within and outside the organization. work on a project or specific stages of an HR project need specialized knowledge or technical expertise, administrative skills, consulting skills, project management experience & skills as well as the "ability to meet demanding timescales".

## **Change Synergists**

The activities concerned in co-operating the effort that mutually support the success and involvement of diverse resources energies and people is referred to as synergy. Human Resource Development change agents are capable of strategically coordinating, integrating and delivering complex, large scale and multiple change projects across the whole organization. Need coordination, integration, project management and leadership competencies operate strategically and act as catalysts for change.

## Importance/Reasons of Organizational Changes

Change is important for any organization because, without change, businesses would likely lose their competitive edge and fail to meet the needs of what most hope to be a growing base of loyal customers. It is important because business is an ongoing process

of change like everything else. Organizational changes can occur as a response to current crisis situation or as a reaction to an ever changing environment. A progressive and proactive manager can also trigger change. Transfer of executive power in organization can also trigger organizational change.

Following are different reasons which can be proactive or reactive can make organizations to change which include and not limited to:

## 1. New Technology

Technology is changing rapidly and it is prudent for organization to identify new technology and more efficient and economical methods to perform work to have competitive advantage. Technological innovation has created the need for change in organizations. organizations have to adopt new technology to be cost effective and have competitive advantage. Though there is disruption at first due to adoption of new technology, the change ultimately leads to increased productivity and service.

## 2. Mergers & Acquisitions

Mergers and acquisitions create change in a number of areas often negatively impacting employees when two organizations are merged and employees in dual functions are made redundant. Some expenses are cut while some resources are reallocated to the production of new products or services .

#### 3. Reaction to Internal & External Pressure

Internal pressure comes from management and employees, particularly those in organized unions often exert pressure for change. On the other hand external pressures come from many areas, including customers, competition, changing government regulations, shareholders, financial markets, and other factors in the organization's external environment. Globalization is another aspect that makes organization change.

## 4. Economic Changes

the attitudes and morale of employees suffer during period of inflation and recession as affected by economic changes which can ultimately affect organizational performance.

#### 5. Government Laws and Regulations

Change can occur due to change in government laws and regulations.

#### 6.Customer Needs

Customers' needs and preferences keep on changing For example customers who were satisfied with conventional ovens many years ago are sometimes impatient with the microwave today. As the world evolves, customer needs change and grow, creating new demand for new types of products and services and opening up new areas of opportunity for companies to meet those needs.

# Skills and Competencies Required For Human Resource Development Change Agents

The ability to add value to business is referred to as Competency; to achieve sustainable competitive advantage competence must focus on the process leading to changing business conditions. sufficiency of knowledge and skills that enable someone to act in a wide variety of situations (Business dictionary) Choi Sang Long (2013) lists the following as the competencies for HR professional as change agents:-

- Effective relationship skill,
- Human resource development (HRD) skill,
- Performance management,
- Value chain knowledge, and
- Conflict management.

## Effective Relationship Skill

The ability to add value to business is referred to as competency to achieve sustainable competitive advantage, the agents must focus on changing business conditions and help lead the process of change using their competencies.

#### Professional Competency

professional competencies are allied to employee champion and administrative expert roles which entail credibility of the agent. As HR professionals or line managers, their credibility should be gained by their working partners as employee champions. One the

other hand they should be able to deliver traditional operation HR activities in their business restructuring, talent and performance management, providing advice and support on career and organizational development, evaluating the HR practices and programs' impact could be included in these activities.

## Human Resource Development (HRD) Skill

Human Resource Development professional need to create an enabling environment for learning and comprehend the process of learning as change agents. Employees are helped by Human Resource Development skills to improve organizational and personal knowledge, skills and abilities.

## Performance Management

HR Practitioners as change agents need to forewarn employees to improve work performance and productivity. performance management as a process that unites goal setting, development and performance appraisal not a single, common system whose purpose is to ensure that the firm's strategic objectives are supported by employees. competency is paramount to HR agents to guarantee employees' performance is measured with proper instruments and tools.

#### The Right Attitude

Change is a complex and labour-intensive process that arouses feelings and emotions and therefore change cannot succeed with great persistence. Without the right attitude managers cannot lead the team through difficulties and challenges of frustrated teammates, angry people unforeseen problems among others with stamina and great determination.

## The Necessary Skills

Varieties of skills are compulsory for change agent to succeed. For example conflict management and managing challenges of transition. They should also possess the ability to remain highly effective under extreme pressure. Analytical skills are also needed which assist the change agent in analysing complicated situation in the firm and also helps them to be flexible enough to work around roadblocks and handle upcoming issues. People

skills are a must as the change involves staff and this will be able to forte strong interpersonal relationship and communicate with different groups to create readiness for change. The change agent needs to raise understanding for the need to change by creating dissatisfaction with the status quo. Good listening skills are a necessity to help them to empathize and also have good listening skills. increased perception of effectiveness of Human Resource Development change agents is contributed by their credibility. the foundation for Human Resource Development professional is his/her personal credibility skills which assist in dealing with employees during change process. Last but not least communication skills are a must as communication is the glue that keeps the organization together and helps to move to the desired future. They need to communicate effectively and efficiently at all levels of the entire organization