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**CHANGE MANAGEMENT AND CONTROL  
IN MORDERN BUSINESS ORGANIZATIONS**

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## **Abstract**

I will like to write on this topic as it relate to changes that occur in modern business establishments in terms of growth, development, project and control. Change management is a structured approach to change in individuals, teams, organizations and societies that enables the transition from a current state to a desired future state.

Change management is one of the keys to the future success of within an organization. It is now part of business processes and totally integrated into the fabric of normal business activities therefore failed changes, late changes, over budget changes, under resourced changes, badly communicated changes, isolated changes and poorly handled changes cannot be tolerated. Be sure though to remember the difference between change control and change management.

The change referred to in this context includes a broad array of topics. From an individual perspective, the change may be a new behavior. From a business perspective, the change may be a new business process or new technology. From a societal perspective, the change may be a new public theory or the passing of new legislation. Successful change, however, requires more than a new process, technology or public policy. Successful change requires the engagement and participation of the people involved. Change management provides a framework for managing the people side of these changes. The most recent research points to a combination of organizational change management tools and individual change management models for effective change to take place.

However, there are a number of techniques involve in tackling the desired change in an organization but nonetheless no single methodology fits every company, but there is a set of practices, tools, and techniques that can be adapted to a variety of situations. Using these as a systematic, comprehensive framework, executives can understand what to expect, how to manage their own personal change, and how to engage the entire organization in the process.

The evolution of the change management field stems from psychology, business and engineering. Hence, some models are derived from an organizational development perspective whereas others are based on individual behavioral models.

A formula for change was developed by Richard Beckhard and David Gleicher and is sometimes referred to as Gleicher's Formula. The formula illustrates that the combination of organizational dissatisfaction, vision for the future and the possibility of immediate, tactical action must be stronger than the resistance within the organization in order for meaningful changes to occur.

Organizational change management includes processes and tools for managing the people side of the change at an organizational level. These tools include a structured approach that can be used to effectively transition groups or organizations through change. When combined with an understanding of individual change management, these tools provide a framework for managing the people side of change.

Project success relies on the project manager's ability to implement change. In order to do this the Project manager must enlist a team that is responsible for, and capable of making that change happen, typically, this team is comprised of both change champions, and change agents.

People are the sine qua non of organization. Moreover, they come characterized by all manner of sizes, shapes, colors, intelligence and ability levels, gender, sexual preferences, national origins, first and second languages, religious beliefs, attitudes toward life and work, personalities, and priorities and these are just a few of the dimensions along which people vary. We have to deal with them all.

The only way to deliver projects with a high probability of success is to assemble a project team that is comprised of the right individuals from the right stakeholder community. This means that the ultimate owners of the project should be active participants from the start. The start of the project is where the greatest opportunities exist for setting and managing end-user expectations. Setting stakeholder expectations and assembling the appropriate project team is the first and most important phase of change management.

## **CHAPTER 1**

### **Introduction**

In the past, most people measured the success of projects by the three traditional criteria of cost, quality, and schedule. These three traditional metrics fall short today because the importance of stakeholder satisfaction is being recognized as more important than any of the traditional measures. That is, the project is considered a success if the project stakeholders are happy with the results.

In an ideal world of perfect projects, all metrics would be met and all stakeholders and participants would be happy with the delivered products. The reality is that some projects are abject failures. Failed projects are those where the stakeholders are not only dissatisfied with the results, but walk away at the end of the project wishing they had never been involved. This can happen even on projects that have met all of the traditional metrics of cost, quality, and schedule, but have simply failed to meet stakeholder expectations.

This is either because their expectations were too high or because the participants fail to accept the project as their own and embrace the opportunities that the project delivers. Even when the project is accepted, if the opportunities presented by the project are not maximized, the project is, at best, only a partial success. Hence, project success depends heavily on setting and delivering all of the expectations of the stakeholders and obtaining their concurrence on that achievement.

The only way to deliver projects with a high probability of success is to assemble a project team that is comprised of the right individuals from the right stakeholder community. This means that the ultimate owners of the project should be active participants from the start. The start of the project is where the greatest opportunities exist for setting and managing end user expectations. Setting stakeholder expectations and assembling the appropriate project team is the first and most important phase of change management.

For certain types of projects there are still what you would call change orders, change requests, scope changes, change control, contract variation orders or whatever name you like to call the changing of scope, cost, quality, or schedule of activities. Of course, we need to foresee, capture and manage these items under the heading of project changes and or technical change control. All projects will have some exposure to these same types of technical changes that need to be managed.

Change management as described in this paper does not relate to management of the aforementioned changes to technical items, but rather is the management of the end user expectations, awareness, and preparedness. This set of activities should be accomplished by implementing a strategy to ensure that the ultimate owners and end users are onboard with the project team and its deliverables. However, it often happens that on these types of projects where the setting and management of expectations is not done at the project's outset, a change management firm is brought in towards the late stages of the project to

implement fixes for some of the enterprise change problems that have arisen. The members of these firms tend to view themselves as white knights riding to the rescue to help soften the blow to the end users. They also tend to be very, very expensive!

The point of all this is that enterprise preparedness is a fundamental part of change management as defined and must be considered as one of the essential deliverables, and not some separate initiative or adjunct activity that is suddenly found necessary to salvage the project.

## **CHAPTER 2**

### **Definition of the investigation**

Change management is a structured approach to change in individuals, teams, organizations and societies that enables the transition from a current state to a desired future state.

The change referred to in this context includes a broad array of topics. From an individual perspective, the change may be a new behavior. From a business perspective, the change may be a new business process or new technology. From a societal perspective, the change may be a new public theory or the passing of new legislation. Successful change, however, requires more than a new process, technology or public policy. Successful change requires the engagement and participation of the people involved. Change management provides a framework for managing the people side of these changes. The most recent research points to a combination of organizational change management tools and individual change management models for effective change to take place.

The evolution of the change management field stems from psychology, business and engineering. Hence, some models are derived from an organizational development perspective whereas others are based on individual behavioral models.

A formula for change was developed by Richard Beckhard and David Gleicher and is sometimes referred to as Gleicher's Formula. The formula illustrates that the combination of organizational dissatisfaction, vision for the future and the possibility of immediate, tactical action must be stronger than the resistance within the organization in order for meaningful changes to occur.

Organizational change management includes processes and tools for managing the people side of the change at an organizational level. These tools include a structured approach that can be used to effectively transition groups or organizations through change. When combined with an understanding of individual change management, these tools provide a framework for managing the people side of change.

Whether from customers, the marketplace, or regulatory bodies, change requests for products demand a rapid, but informed, response. How do you control change across the development lifecycle and throughout the enterprise? And how can you determine the

scope and cost of changes before you implement them? You need total control and visibility of change at the enterprise level.

Change control is a formal process used to ensure a product, service or process is only modified in line with the identified necessary change. It is part of ITIL. It is particularly related to software development as during the early development of this engineering process it was found that many changes were introduced to software that had no obvious requirement other than the whim of the software writer. Quite often these unnecessary changes introduced faults (bugs). Later it became a fundamental process in quality control. A change freeze point was introduced to suspend any further changes until after the completion of the initial project. Change control is also formally used where the impact of a change could have severe risk and/or financial consequence. Typical examples from the computer and network environments are the upgrade of operating systems, network routing tables or the electrical power systems supporting such infrastructure, not forgetting changes to the contract itself.

You need the ability to assess and authorize change requests, from both internal and external sources, using a change management workflow customized to your needs.

As part of the approval process, you need to assess the impact of the change on the requirements. So Change Management should tightly integrate with requirements management to ensure the change control board fully understands the implications of authorizing a change.

As part of the implementation process, you need to ensure that development activities are traced back to approved change requests. Change management should tightly integrate with configuration management to establish full traceability down to the changed CM artifacts. As well as controlling changes, you have to communicate them to stakeholders across the enterprise.

To avoid the risk of defect loss or omission, an integration between change control and test management is important because it ensures that all defects found in the testing phase are identified and their resolution tracked, providing managers with complete visibility on the progress of a project's quality.

Enterprise change management, a core process within Telelogic's Application Lifecycle management solutions, provides an efficient and systematic approach to change control, resulting in greater productivity, higher quality products and faster time to market. It provides the ability to support multiple lifecycles beyond simply software development with functionalities such as:

- ❖ Change lifecycle management or lifecycle change management
- ❖ Compliance supports (Sarbanes Oxley, CMMI, ISO and the rest.
- ❖ Change request management, issue management, item and defect tracking
- ❖ Customer information and action items
- ❖ Product lifecycle management
- ❖ Project management support

By providing visibility across the development lifecycle, Telelogic's enterprise change management solution gives organizations automatic and immediate access to meaningful real time data to manage change more effectively and efficiently.

The evolution of the change management field stems from psychology, business and engineering. Hence, some models are derived from an organizational development perspective whereas others are based on individual behavioral models. For this reason, this section is divided into two sub categories: Individual change management and Organizational change management.

Individual change management: An early model of change developed by Kurt Lewin described change as a three stage process. The first stage he called unfreezing. It involved overcoming inertia and dismantling the existing mind set. Defense mechanisms have to be bypassed. In the second stage the change occurs. This is typically a period of confusion and transition. We are aware that the old ways are being challenged but we do not have a clear picture to replace them with yet. The third and final stage he called refreezing. The new mindset is crystallizing and one's comfort level is returning to previous levels.

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The ADKAR model for individual change management was developed by Prosci with input from more than 1000 organizations from 59 countries. This model describes five required building blocks for change to be realized successfully on an individual level. The building blocks of the ADKAR model include:

- ❖ Awareness of why the change is needed
- ❖ Desire to support and participate in the change
- ❖ Knowledge of how to change
- ❖ Ability to implement new skills and behaviors
- ❖ Reinforcement to sustain the change

Organizational change management: includes processes and tools for managing the people side of the change at an organizational level. These tools include a structured approach that can be used to effectively transition groups or organizations through change. When combined with an understanding of individual change management, these tools provide a framework for managing the people side of change.

### **CHAPTER 3**

#### **Goals and objectives of the investigation**

Management's first responsibility is to detect trends in the macro environment as well as in the micro environment so as to be able to identify changes and initiate programs. It is also important to estimate what impact a change will likely have on employee behavior patterns, work processes, technological requirements, and motivation. Management must assess what employee reactions will be and craft a change program that will provide support as workers go through the process of accepting change. The program must then be implemented, disseminated throughout the organization, monitored for effectiveness, and adjusted where necessary.

The first phase strategic planning and design includes a series of steps: back to the drawing board to revisit the company purpose, form the strategic management team to oversee implementation, create programme vision and define strategy, organize the workforce and design the core programme and cultural embedding mechanisms that will support it.

The second phase strategy implementation includes these steps: communicate vision and roll out, manage the human landscape plus maintain momentum and solidify ground made.

The final phase evaluation and readjustment focuses on the measuring of results and also planning for the future.

In thinking about what is meant by change management, at least four basic definitions come to mind:

1. The task of managing change.
2. An area of professional practice.
3. A body of knowledge.
4. A control mechanism.

The task of managing change:

The first and most obvious definition of change management is that the term refers to the task of managing change. The obvious is not necessarily unambiguous. Managing change is itself a term that has at least two meanings.

One meaning of managing change refers to the making of changes in a planned and managed or systematic fashion. The aim is to more effectively implement new methods and systems in an ongoing organization. The changes to be managed lie within and are controlled by the organization. Perhaps the most familiar instance of this kind of change is the change control aspect of information systems development projects. However, these internal changes might have been triggered by events originating outside the organization, in what is usually termed the environment. Hence, the second meaning of managing change, namely, the response to changes over which the organization exercises

little or no control. Researchers and practitioners alike typically distinguish between a knee jerk or reactive response and an anticipative or proactive response.

The second definition of change management is an area of professional practice. There are dozens, if not hundreds, of independent consultants who will quickly and proudly proclaim that they are engaged in planned change, that they are change agents, that they manage change for their clients, and that their practices are change management practices. There are numerous small consulting firms whose principals would make these same statements about their firms. And, of course, most of the major management consulting firms have a change management practice area. Some of these change management experts claim to help clients manage the changes they face the changes happening to them. Others claim to help clients make changes. Still others offer to help by taking on the task of managing changes that must be made. In almost all cases, the process of change is treated separately from the specifics of the situation. It is expertise in this task of managing the general process of change that is laid claim to by professional change agents.

Stemming from the view of change management as an area of professional practice there arises yet a third definition of change management: the content or subject matter of change management. This consists chiefly of the models, methods and techniques, tools, skills and other forms of knowledge that go into making up any practice.

For many years now, Information Systems groups have tried to rein in and otherwise ride herd on changes to systems and the applications that run on them. For the most part, this is referred to as version control and most people in the workplace are familiar with it. In recent years, systems people have begun to refer to this control mechanism as change management and configuration management. Moreover, similar control mechanisms exist in other areas.

To recapitulate, there are at least four basic definitions of change management:

1. The task of managing change from a reactive or a proactive posture.
2. An area of professional practice with considerable variation in competency and skill levels among practitioners.
3. A body of knowledge consisting of models, methods, techniques, and other tools.
4. A control mechanism consisting of requirements, standards, processes and procedures.

The process of change has been characterized as having three basic stages: unfreezing, changing, and re freezing. What is useful about this framework is that it gives rise to thinking about a staged approach to changing things. Looking before you leap is usually sound practice.

In other words, the beginning and ending point of the unfreeze change refreeze model is stability which, for some people and some organizations, is a luxury. For others, internal stability spells disaster. A tortoise on the move can overtake even the fastest hare if that hare stands still.

The change process as problem solving and problem finding has a useful framework for thinking about the change process is problem solving. Managing change is seen as a matter of moving from one state to another, specifically, from the problem state to the solved state. Diagnosis or problem analysis is generally acknowledged as essential. Goals are set and achieved at various levels and in various areas or functions. Ends and means are discussed and related to one another. Careful planning is accompanied by efforts to obtain buy in, support and commitment. The net effect is a transition from one state to another in a planned, orderly fashion. This is the planned change model.

At the heart of change management lie the change problem, that is, some future state to be realized, some current state to be left behind, and some structured, organized process for getting from the one to the other. The change problem might be large or small in scope and scale, and it might focus on individuals or groups, on one or more divisions or departments, the entire organization, or one or on more aspects of the organization's environment.

The change problem is often expressed, at least initially, in the form of a how question. How do we get people to be more open, to assume more responsibility, to be more creative? How do we introduce self managed teams in Department W? How do we change over from System X to System Y in Division Z? How do we move from a mainframe centered computing environment to one that accommodates and integrates PCs? How do we get this organization to be more innovative, competitive, or productive? How do we raise more effective barriers to market entry by our competitors? How might we more tightly bind our suppliers to us? How do we reduce cycle times? In short, the initial formulation of a change problem is means centered, with the goal state more or less implied.

As was pointed out in the preceding section, to frame the change effort in the form of how questions is to focus the effort on means. Diagnosis is assumed or not performed at all. Consequently, the ends sought are not discussed. This might or might not be problematic. To focus on ends requires the posing of what questions. What are we trying to accomplish? What changes are necessary? What indicators will signal success? What standards apply? What measures of performance are we trying to affect?

Ends and means are relative notions, not absolutes; that is, something is an end or a means only in relation to something else. Thus, chains and networks of ends means relationships often have to be traced out before one finds the true ends of a change effort.

Consider the following hypothetical dialogue with yourself as an illustration of tracing out ends means relationships.

1. Why do people need to be more creative?
2. I'll tell you why! Because we have to change the way we do things and we need ideas about how to do that.
3. Why do we have to change the way we do things?
4. Because they cost too much and take too long.

5. Why do they cost too much?
6. Because we pay higher wages than any of our competitors.
7. Why do we pay higher wages than our competitors?
8. Because our productivity used to be higher, too, but now it's not.
9. Eureka! The true aim is to improve productivity!
10. No it isn't; keep going.
11. Why does productivity need to be improved?
12. To increase profits.
13. Why do profits need to be increased?
14. To improve earnings per share.
15. Why do earnings per share need to be improved?
16. To attract additional capital.
17. Why is additional capital needed?
18. We need to fund research aimed at developing the next generation of products.
19. Why do we need a new generation of products?
20. Because our competitors are rolling them out faster than we are and gobbling up market share.
21. Oh, so that's why we need to reduce cycle times.
22. Hmm. Why do things take so long?

For the most part, changes and the change problems they present are problems of adaptation, that is, they require of the organization only that it adjust to an ever changing set of circumstances. But, either as a result of continued, cumulative compounding of adaptive maneuvers that were nothing more than band aids, or as the result of sudden changes so significant as to call for a redefinition of the organization, there are times when the changes that must be made are deep and far reaching. At such times, the design of the organization itself is called into question.

Organizations are first and foremost social systems. Without people there can be no organization. Lose sight of this fact and any would-be change agent will likely lose his or her head. Organizations are hotly and intensely political. Change agents dare not join in this game but they had better understand it. This is one area where you must make your own judgments and keep your own counsel; no one can do it for you.

Make no mistake about it, those who would be change agents had better be very good at something, and that something better be analysis. Guessing won't do. Insight is nice, even useful, and sometimes shines with brilliance, but it is darned difficult to sell and almost impossible to defend. A lucid, rational, well-argued analysis can be ignored and even suppressed, but not successfully contested and, in most cases, will carry the day. If not, then the political issues haven't been adequately addressed.

Two particular sets of skills are very important here: (1) workflow operations or systems analysis, and (2) financial analysis. Change agents must learn to take apart and reassemble operations and systems in novel ways, and then determine the financial and political impacts of what they have done. Conversely, they must be able to start with some financial measure or indicator or goal, and make their way quickly to those

operations and systems that, if reconfigured a certain way, would have the desired financial impact. Those who master these two techniques have learned a trade that will be in demand for the foreseeable future.

As stated earlier, people are the sine qua non of organization. Moreover, they come characterized by all manner of sizes, shapes, colors, intelligence and ability levels, gender, sexual preferences, national origins, first and second languages, religious beliefs, attitudes toward life and work, personalities, and priorities and these are just a few of the dimensions along which people vary. We have to deal with them all.

The skills most needed in this area are those that typically fall under the heading of communication or interpersonal skills. To be effective, we must be able to listen and listen actively, to restate, to reflect, to clarify without interrogating, to draw out the speaker, to lead or channel a discussion, to plant ideas, and to develop them. All these and more are needed. Not all of us will have to learn Russian, French, or Spanish, but most of us will have to learn to speak systems, marketing, manufacturing, finance, personnel, legal, and a host of other organizational dialects. More important, we have to learn to see things through the eyes of these other inhabitants of the organizational world. A situation viewed from a marketing frame of reference is an entirely different situation when seen through the eyes of a systems person. Part of the job of a change agent is to reconcile and resolve the conflict between and among disparate and sometimes desperate points of view. Charm is great if you have it. Courtesy is even better. A well paid compliment can buy gratitude. A sincere Thank you can earn respect.

**CHAPTER 4**  
**Overall outcomes (Strategy and techniques)**

There are at least four basic strategies to be adopted for change management effectiveness.

<b>Strategy</b>	<b>Description</b>
<b>Empirical-Rational</b>	People are rational and will follow their self interest once it is revealed to them. Change is based on the communication of information and the proffering of incentives.
<b>Normative-Reeducative</b>	People are social beings and will adhere to cultural norms and values. Change is based on redefining and reinterpreting existing norms and values, and developing commitments to new ones.
<b>Power-Coercive</b>	People are basically compliant and will generally do

## **Strategy**

## **Description**

what they are told or can be made to do. Change is based on the exercise of authority and the imposition of sanctions.

## **Environmental- Adaptive**

People oppose loss and disruption but they adapt readily to new circumstances. Change is based on building a new organization and gradually transferring people from the old one to the new one.

Factors in selecting a change strategy: Generally speaking, there is no single change strategy. You can adopt a general or what is called a grand strategy but, for any given initiative, you are best served by some mix of strategies.

How do you manage change? The honest answer is that you manage it pretty much the same way you'd manage anything else of a turbulent, messy, chaotic nature, that is, you don't really manage it, and you grapple with it. It's more a matter of leadership ability than management skill.

1. The first thing to do is jump in. You can't do anything about it from the outside.
2. A clear sense of mission or purpose is essential. The simpler the mission statement the better. Kick ass in the marketplace is a whole lot more meaningful than Respond to market needs with a range of products
3. Services that have been carefully designed and developed to compare so favorably in our customers' eyes with the products and services offered by our competitors that the majority of buying decisions will be made in our favor.
4. Build a team. Lone wolves have their uses, but managing change isn't one of them. On the other hand, the right kind of lone wolf makes an excellent temporary team leader.
5. Maintain a flat organizational team structure and rely on minimal and informal reporting requirements.
6. Pick people with relevant skills and high energy levels. You'll need both.
7. Toss out the rulebook. Change, by definition, calls for a configured response, not adherence to prefigured routines.
8. Shift to an action feedback model. Plan and act in short intervals. Do your analysis on the fly. No lengthy up front studies.
9. Set flexible priorities. You must have the ability to drop what you're doing and tend to something more important.
10. Treat everything as a temporary measure. Don't lock in until the last minute, and then insist on the right to change your mind.
11. Ask for volunteers. You'll be surprised at who shows up. You'll be pleasantly surprised by what they can do.

12. Find a good straw boss or team leader and stay out of his or her way.
13. Give the team members whatever they ask for except authority. They'll generally ask only for what they really need in the way of resources. If they start asking for authority, that's a signal they're headed toward some kind of power based confrontation and that spells trouble. Nip it in the bud!
14. Concentrate dispersed knowledge. Start and maintain an issues logbook. Let anyone go anywhere and talk to anyone about anything. Keep the communications barriers low, widely spaced, and easily hurdled.
15. Remember, the task of change management is to bring order to a messy situation, not pretend that it's already well organized and disciplined.

Which of the preceding strategies to use in your mix of strategies is a decision affected by a number of factors:

**Degree of Resistance:** Strong resistance argues for a coupling of power coercive and environmental adaptive strategies. Weak resistance or concurrence argues for a combination of empirical rational and normative re educative strategies.

**Target Population:** Large populations argue for a mix of all four strategies, something for everyone so to speak.

**The Stakes:** High stakes argue for a mix of all four strategies. When the stakes are high, nothing can be left to chance.

**The Time Frame:** Short time frames argue for a power coercive strategy. Longer time frames argue for a mix of empirical rational, normative re educative, and environmental adaptive strategies.

**Expertise:** Having available adequate expertise at making change argues for some mix of the strategies outlined above. Not having it available argues for reliance on the power coercive strategy.

**Dependency:** This is a classic double edged sword. If the organization is dependent on its people, management's ability to command or demand is limited. Conversely, if people are dependent upon the organization, their ability to oppose or resist is limited.

However, there are a number of techniques involve in tackling the desired change in an organization but nonetheless no single methodology fits every company, but there is a set of practices, tools, and techniques that can be adapted to a variety of situations. Using these as a systematic, comprehensive framework, executives can understand what to expect, how to manage their own personal change, and how to engage the entire organization in the process.

1. Address the human side systematically. Any significant transformation creates people issues. New leaders will be asked to step up, jobs will be changed, new skills and

capabilities must be developed, and employees will be uncertain and resistant. Dealing with these issues on a reactive, case by case basis puts speed, morale, and results at risk. A formal approach for managing change beginning with the leadership team and then engaging key stakeholders and leaders should be developed early, and adapted often as change moves through the organization. This demands as much data collection and analysis, planning, and implementation discipline as does a redesign of strategy, systems, or processes. The change management approach should be fully integrated into program design and decision making, both informing and enabling strategic direction. It should be based on a realistic assessment of the organization's history, readiness, and capacity to change.

2. Involve every layer. As transformation programs progress from defining strategy and setting targets to design and implementation, they affect different levels of the organization. Change efforts must include plans for identifying leaders throughout the company and pushing responsibility for design and implementation down, so that change cascades through the organization. At each layer of the organization, the leaders who are identified and trained must be aligned to the company's vision, equipped to execute their specific mission, and motivated to make change happen.

3. Make the formal case. Individuals are inherently rational and will question to what extent change is needed, whether the company is headed in the right direction, and whether they want to commit personally to making change happen. They will look to the leadership for answers. The articulation of a formal case for change and the creation of a written vision statement are invaluable opportunities to create or compel leadership team alignment. Three steps should be followed in developing the case: First, confront reality and articulate a convincing need for change. Second, demonstrate faith that the company has a viable future and the leadership to get there. Finally, provide a road map to guide behavior and decision making. Leaders must then customize this message for various internal audiences, describing the pending change in terms that matter to the individuals.

4. Start at the top. Because change is inherently unsettling for people at all levels of an organization, when it is on the horizon, all eyes will turn to the CEO and the leadership team for strength, support, and direction. The leaders themselves must embrace the new approaches first, both to challenge and to motivate the rest of the institution. They must speak with one voice and model the desired behaviors. The executive team also needs to understand that, although its public face may be one of unity, it, too, is composed of individuals who are going through stressful times and need to be supported. Executive teams that work well together are best positioned for success. They are aligned and committed to the direction of change, understand the culture and behaviors the changes intend to introduce, and can model those changes themselves. At one large transportation company, the senior team rolled out an initiative to improve the efficiency and performance of its corporate and field staff before addressing change issues at the officer level. The initiative realized initial cost savings but stalled as employees began to question the leadership team's vision and commitment. Only after the leadership team went through the process of aligning and committing to the change initiative was the work force able to deliver downstream results.

5. Address culture explicitly. Once the culture is understood, it should be addressed as thoroughly as any other area in a change program. Leaders should be explicit about the culture and underlying behaviors that will best support the new way of doing business, and find opportunities to model and reward those behaviors. This requires developing a baseline, defining an explicit end state or desired culture, and devising detailed plans to make the transition. Company culture is an amalgam of shared history, explicit values and beliefs, and common attitudes and behaviors. Change programs can involve creating a culture in new companies or those built through multiple acquisitions, combining cultures in mergers or acquisitions of large companies or reinforcing cultures. Understanding that all companies have a cultural center the locus of thought, activity, influence, or personal identification is often an effective way to jump start culture change.

6. Prepare for the unexpected. No change program goes completely according to plan. People react in unexpected ways, areas of anticipated resistance fall away, and the external environment shifts. Effectively managing change requires continual reassessment of its impact and the organization's willingness and ability to adopt the next wave of transformation. Fed by real data from the field and supported by information and solid decision making processes, change leaders can then make the adjustments necessary to maintain momentum and drive results.

7. Speak to the individual. Change is both an institutional journey and a very personal one. People spend many hours each week at work; many think of their colleagues as a second family. Individuals or teams of individuals need to know how their work will change, what is expected of them during and after the change program, how they will be measured, and what success or failure will mean for them and those around them. Team leaders should be as honest and explicit as possible. People will react to what they see and hear around them, and need to be involved in the change process. Highly visible rewards, such as promotion, recognition, and bonuses, should be provided as dramatic reinforcement for embracing change. Sanction or removal of people standing in the way of change will reinforce the institution's commitment.

Most leaders contemplating change know that people matter. It is all too tempting, however, to dwell on the plans and processes, which don't talk back and don't respond emotionally, rather than face up to the more difficult and more critical human issues. But mastering the soft side of change management needn't be a mystery.

8. Create ownership. Leaders of large change programs must over perform during the transformation and be the zealots who create a critical mass among the work force in favor of change. This requires more than mere buy in or passive agreement that the direction of change is acceptable. It demands ownership by leaders willing to accept responsibility for making change happen in all of the areas they influence or control. Ownership is often best created by involving people in identifying problems and crafting solutions. It is reinforced by incentives and rewards. These can be tangible for example, financial compensation or psychological.

9. Communicate the message. Too often, change leaders make the mistake of believing that others understand the issues, feel the need to change, and see the new direction as clearly as they do. The best change programs reinforce core messages through regular, timely advice that is both inspirational and practicable. Communications flow in from the bottom and out from the top, and are targeted to provide employees the right information at the right time and to solicit their input and feedback. Often this will require over communication through multiple, redundant channels.

10. Assess the cultural landscape. Successful change programs pick up speed and intensity as they cascade down, making it critically important that leaders understand and account for culture and behaviors at each level of the organization. Companies often make the mistake of assessing culture either too late or not at all. Thorough cultural diagnostics can assess organizational readiness to change, bring major problems to the surface, identify conflicts, and define factors that can recognize and influence sources of leadership and resistance. These diagnostics identify the core values, beliefs, behaviors, and perceptions that must be taken into account for successful change to occur. They serve as the common baseline for designing essential change elements, such as the new corporate vision, and building the infrastructure and programs needed to drive change.

## **CHAPTER 5**

### **Analysis (Interpretation of results)**

While the executive vision and support, clearly communicated, is important, it is not enough. More fundamental approaches to planning and analysis need to occur to encourage effective change management.

- ❖ Assess the readiness of your organization to participate in the change. Instruments are available to help you assess readiness, as well as qualitative information from internal or external staff and consultants. Answer questions such as these. What is the level of trust within your organization? Do people feel generally positive about their work environment? Do you have a history of open communication? Do you share financial information?
- ❖ These factors have a tremendous impact on people's acceptance of and willingness to change. If you can start building this positive and supportive environment prior to the change, you have a great head start on the change implementation.
- ❖ Turn the change vision into an overall plan and timeline, and plan to practice forgiveness when the timeline encounters barriers. Solicit input to the plan from people who own or work on the processes that are changing.

- ❖ Gather information about and determine ways to communicate the reasons for the changes. These may include the changing economic environment, customer needs and expectations, vendor capabilities, government regulations, population demographics, financial considerations, resource availability and company direction.
- ❖ Assess each potential impact to organization processes, systems, customers and staff. Assess the risks and have a specific improvement or mitigation plan developed for each risk.
- ❖ Plan the communication of the change. People have to understand the context, the reasons for the change, the plan and the organization's clear expectations for their changed roles and responsibilities. Nothing communicates expectations better than improved measurements and rewards and recognition.
- ❖ Determine the WIIFM (what's in it for me) of the change for each individual in your organization. Work on how the change will affect each individual directly, and how to make the change fit his or her needs as well as those of the organization.
- ❖ Some respondents found the development of a theoretical underpinning for the change effective in helping individuals understand the need for change.
- ❖ Be honest and worthy of trust. Treat people with the same respect you expect from them.

The operational success of an organization is directly related to the effectiveness of the management system in place. Operational management systems, however, are plagued by persistent problems that require analysis problems of selection, compensation, structure, career development, interpersonal stresses, inadequate operational leadership, performance appraisal, planning, discipline management, dysfunctional behaviors to name a few. Despite these problems, employees get on with their work, even though not as well as they might have done. The fact that operations have worked reasonably well, is often due to the constructiveness and spirit of people who rise above the shortcomings of operational structure and management processes to make things work.

Analysis will often show that performance problems are more often the result of inadequate management systems than the people involved. Although the selection of good people is important, extraordinary and dramatic changes in behavior can be achieved by changing the operational systems within which people work and relate. The root causes of many operational problems lie more in the systems than in the people.

We offer an analytical process to assess the effectiveness of people management systems throughout an organization. Forms the basis from which strategically important human resource initiatives may be undertaken to improve operational productivity.

Involves the evaluation of performance management systems such as:

- Role definitions and performance
- Leadership and coaching
- Performance assessment
- Professional development
- Collaborative interaction

Aspects of organizational development: Analysis of an organization's learning climate produces the fertilizer that helps an organization to grow. Systemic analysis helps to identify constraints for growth of your organization and the people working for it. It is an invitation for people to take interest in their organization.

There is no blueprint for a successful structure of an organization and no generalized approach to organizational development. To a great extent, communication structures in an organization mirror cultural patterns. How you react on the patterns is up to you. But once you start to analyze your organization and involve your staff, you have to tell them about the results, and listen to their comments. Then, it is up to the management to decide whether they continue the path and become a learning organization or not. You might adopt only a few ideas of the concept. But if you want to start a real process of change, you need the full support of your staff otherwise it will inevitably fail.

The tool book offers a series of exercises which help you to analyze and visualize structures of your organization:

Scoping: This is a systemic tool that gives you a structure for the first analysis of your consulting assignment. A questionnaire that applies for any kind of situation in which your task is to advise an individual or an organization

SWOT: Strength, weaknesses, opportunities and threats has meanwhile become a standard tool for organizational analysis. It works as a change management tool if applied in the right setting.

Questionnaires for Satisfaction at the Workplace: An introduction into classical motivation theory and two questionnaires for analyzing the satisfaction of your staff.

Timeline: A tool which is used in future search conferences. I found it helpful also in other settings to create a common understanding of a group about where they come from.

Exploring the conscious and the unconscious of your organization: A questionnaire that looks behind the obvious structures and tries to explore the hidden agenda of organizations.

Systemic Constellations: A systemic constellation is the newest kid on the block. Although its foundation dates back 30 years to the work of Virginia Satir, just recently it has been applied to analysis and change of organizations. It is disputed and criticized; however, I found a lot of situations where constellation really helped to understand what is going wrong and to conceive some alternative options.

Analyze change drivers on different levels of change: A tool that helps people to realize the change drivers they are affected by

Ralph Stacey's agreement and certainty matrix: In management and organizational consulting, we are faced with different levels of complexity, uncertainty and agreement of stakeholders to what should be done.

## **CHAPTER 6**

### **Conclusion**

This Change Management process helps you to manage all requests for change within your project.

By putting this change process in place, you'll easily be able to monitor and control the amount of change that take place.

Within the Change Management Process, each of the key steps for managing change within projects is included. It also tells you how to successfully control change, through change approvals and change reviews.

By implementing this change management process, you will be able to:

- Identify the requirements for change within your project
- Put in place a process for submitting Change Requests
- Determine the feasibility of changes requested
- Formally approve each change before they occur
- Schedule change to happen, when you want it to happen
- Review the impact of each change on your project

This change management process is unique, as it:

- Provides a template for managing change
- Fully describes every step in the change process
- Includes a change process diagram, setting out the steps to be taken
- Defines the responsibilities of those involved in change management
- Clarifies the change review and approval process

Change management is a core project management function, and it is critical to achieving success. This is because change usually affects your ability to deliver your project within

scope, therefore increasing your costs and delivery timeframes. To properly control project scope, you should use this change management process. It will give you a clearly defined tool for managing change effortlessly within projects.

The procedure to ensure that all changes are controlled, including the submission, analysis, decision making, approval, implementation and post implementation of the change.

The process of controlling changes to the infrastructure, or any aspect of services, in a controlled manner thus enabling approved changes to be implemented with minimum disruption.

Change control is a procedure whereas change management is a process. In other words there may be many changes being controlled under the change management process. Each change needs good change control but the change management process oversees all of the changes. It is possible to have good change control but failures because there is no change management.

So in any way you could say that change management simultaneously manages the life cycle and status of many controlled changes because change control is a component of change management.

The goal of the change management process is to ensure that standardized methods and procedures are used for efficient and prompt handling of all changes, in order to minimize the impact of change related incidents upon service quality, and consequently to improve the day to day operations of the organization.

To make an appropriate response to a change request entails a considered approach to assessment of risk and business continuity, change impact, resource requirements and change approval. This considered approach is essential to maintain a proper balance between the need for change against the impact of the change.

It is particularly important that change management processes have high visibility and open channels of communication in order to promote smooth transitions when changes take place.

Here we are concerned with the scheduling and timing of changes. If you have a central point for the registration and management change requests then you should take a cross section of these to determine what percentage of changes are late or delayed. This will provide the data for proving whether you are meeting this component of the change management goal. However if you do not have change management at the moment this may be difficult to quantify. For example if you do not have a central point to manage change requests how will you determine how many changes were implemented late? First of all not having a central point is justification for change management itself, how can you manage change if you do not know which infrastructure items you are changing or when you will be changing them. You may be able to perform some detective work by

interviewing customers to get their opinions on how change is managed at the moment or collect and analyze any change requests that exist at the moment at different locations. However you obtain the data this is an important topic because change scheduling and timing is the key to successful change management.

One of the most demanding challenges with modern changes is not the success of the change itself but on ensuring that the environment around the change can successfully accept the change. For example a change to a network browser may mean more memory, software upgrades to other components and training for the users and if everything is not ready at the same the change will fail or cause problems. Therefore standardized methods and procedures are critical. This is an easy goal to check because either you have standardized methods or procedures that are documented and imposed or you do not. If you do not you should make the case that if different teams working on the same change are not following standardize methods and procedures the chances for failure are much higher, you may be able to prove this from failed change data.

Change management is one of the keys to the future success of within an organization. It is now part of business processes and totally integrated into the fabric of normal business activities therefore failed changes, late changes, over budget changes, under resourced changes, badly communicated changes, isolated changes and poorly handled changes cannot be tolerated. Be sure though to remember the difference between change control and change management.

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There are so many potential business alignment indicators here that it can be daunting. However the key point to remember is that the customers must be involved at all stage of all changes that will affect their environment. This is best achieved by on links so that the customers can follow their changes and contact the organization with any questions or concerns. This goal states enabling changes to be implemented with minimum disruption. When planning the implementation date of changes it is important that customers are both involved in this planning, because they may want some blackout dates for business reasons, e.g. suspending any changes to the payroll system for a period because a new pay structure is to be implemented or suspending changes to financial systems at year end.

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## Appendices

Contingency factors affecting externally oriented organizational change and growth strategies. Collaboration and organizational management, systems approach to inter divisional collaboration. Contingencies influencing the effectiveness of accounting ethics education, comparison of institutional and consequential approaches and their implications in giving quality instructions. Total quality management and its effect on quality costs management in manufacturing organizations. A five step approach for the implementation of reengineering in internal auditing and control systems.

There is considerable overlap and confusion between change management, configuration management and change control. The definition below is not yet integrated with definitions of the others.

Change control today is seen to be a set of six steps. Each step may have another process associated with it. These start with the receipt of the request for change or RFC, or a request for service (RFS):

- Record / Classify
- Assess
- Plan
- Build / Test
- Implement
- Close / Gain Acceptance.

A formal request is received for something usually in the Client's contract to be changed, known as the Change initiation. Someone then records and classifies or categorizes that request. Part of the classification would be to assign a category to the change, i.e. is the change a major business change, normal business change or minor business change. The first category would be immediately liable to a CAB. Then it would be necessary to assign a priority to the change, i.e. emergency change, expedited change or normal change. The first would be already completed in reality with the change being done retrospectively

The following roles have been identified in the change control process:

Change initiator: The Person who initiates the request and who ultimately will confirm its completion.

Change sponsor: The Person who gives business approval for a change.

Change administrator: One or more change administrators carry out initial categorization and assessment, monitor progress of the change requests through the change owners and ensure acceptance.

Impact Assessors (IA) - Relevant people who assess the impact of the change

Change owner: Typically the person who is allocated to a change and who manages it through to acceptance and closure

Change manager: The change manager manages the overall change process, acts as a point of escalation for COs, exercises judgment in assessing requests and escalates to a change board

Task owners: Task owners are assigned specific tasks by the change owner and own them through to completion. The system supports supervision of assigned tasks

Change advisory board: An appropriate management board used to review the change process and specific changes where required. Typically comprising service delivery manager, customer representative & change manager.

Enterprise change management, a core process within Telelogic's Application Lifecycle management solutions, provides an efficient and systematic approach to change control, resulting in greater productivity, higher quality products and faster time to market. It provides the ability to support multiple lifecycles beyond simply software development with functionalities such as:

By providing visibility across the development lifecycle, Telelogic's enterprise change management solution gives organizations automatic and immediate access to meaningful real time data to manage change more effectively and efficiently.