Change Management

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Abstract

The main purpose of this article is to elaborate and bring to light the core concept of change management for organization, how it works, different factors which moves organization to change, steps for change, resistance for change, types of planned change, activities for organization development and last an example of Pakistan Telecommunication has given that how change takes place with in the organization and what should be strategies for change management. Recommendations and conclusion   forms the last part of the paper.

Key words: Change Management, Organization, Factors, Resistance, Steps.

Introduction to change management:

Most of the new company goes to their culture change, every company need to run the business with smooth and efficient manner, to use the modern technology, bring coordination among the work force, established the group team to carry on the activities, different task need different abilities to solve that problems, the work which is carrying in the organization is also changing, all these things requires flexibility and change readiness.

Perspective of change management:

Change management is the contemporary phenomena. Most of the organizations now are going to change their activities and the organizational culture, because due to the advancement of latest technology, changing the production techniques, the changing behavior of the customer, the economic changes, the business world changing activities compel the organization to bring change on their activities. We can define change management as when the organization decide to alter the present mode of business activities into a new one style or model to cope with rapid changes of the business world, but keep in mind the profit maximization factor . Change may be in organization structure, organization employees, technology of the business concern, production techniques, administration or management change, change management have proof different organization when they adapted became the successive organization. we can define the change management also by the help of following words.

The process of changing the activities of the organization as well as the implementation of the procedures and technologies to achieve the desire objective of the organization, simply words to change the environment of the business organization and to achieve a high profit form that changing, usually change management includes different aspects such as control change, adaptation change and effecting change. The final goal of the change management is the long term sustainability of the organization.

"Organizational change can develop skepticism and resistance in employees, making it sometimes difficult or impossible to implement organizational improvements
Management's ability to gain maximum benefits from change depends in part on how effectively they create and maintain a climate that minimizes resistant behavior of people and encourages acceptance and support" Coetsee (1999)

To understand organization change we can say that when there is complete change in the present activities of the organization such as it may be, business process, employees change, physical environment change, recruitment and selection procedures change, culture change of the organization , method of appraisal, training and development of he employees, it is also called trigger of change, which means to any disorganizing pressure which is arising inside and outside the organization, indicating that the current system, procedures, arrangement of the organization are not more longer effective and it require change in all these activities, these typically includes the following area to be think for change, basically it is divided into two category one is external trigger and other is internal triggers.

External trigger for organizational change/factors for change

- Technology development
- Change and development in new materials
- Change in customer taste and requirements
- Change in new government policies and legislation
- Change in national and global economic condition and trade policies and regulation
- Social and culture value change
- The innovation and activities of the rival or competitors.

**Internal triggers for organizational change/or internal factors for change.**

- Development and innovation in manufacturing process
- New ideas about the products that how to deliver customer value and satisfaction.
- Office and factory relocation closer to customer, supplier, and market.
- New product and service design innovation.
- The appointment of new and top management team
- Inadequate knowledge and training programs.

Theses are those main factors which bring change in the organization activities and whole system of management, change management basic purpose is to get control on the overall

activities of the organization, to see that the ultimate objectives are achieving or not and than decide again accordingly. Kubler Ross argued that we deal with loss, and with impending loss will lead through the series of stages, they name as response cycle, it is used to understand resistance and other Reponses to organization change, it includes the following.

   a) Denial:
   b) Anger
   c) Bargaining
   d) Depression
   e) Acceptance

 We can present the cycle like below.

Denial:

                                                              Acceptance

          Anger
              Bargaining
               Depression
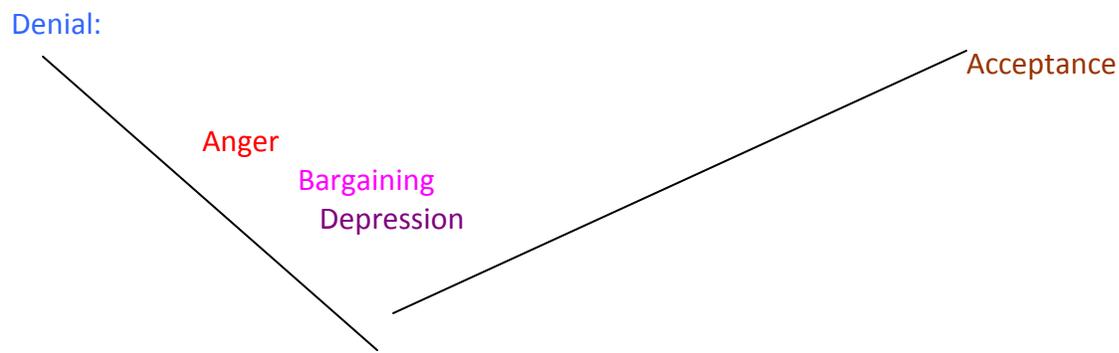
The following are the main style of change management. Collaborative, consultative, directive and coercive style of management change. Collaborative: such style involve the widespread of employees participation in key decision process, which affecting their and organization in future. Consultative style: limited involvement of the employees in the decision making process and responsibility area. Directive style: the managerial authority level involve in decision that how will change be proceed. Coercive style: such style means the involvement of the senior management forcing or imposing change on the organization. (Source of book, David Buchanan)

Importance of the change management to the organization

The task of change management not is easy task because it requires the business skill, analytical skill, political skill, system skill, people skill, and the various consultants now performing the duty of change management for various organizations. Change management plays a vital role in the organization development because it gives stability to the organization by studying the internal and external changes. It also provides a solid base for the value and reputation. And also maximize the profit of the business concern. Change management also provides good culture and sound working system to the organization, it also creates top bottom approaches to facilitate and promote the need for a culture. Where employees do perform their activities with effective and efficient manner. Which also provide basis for human resource manger to implement those strategies for training and development which boost up the current

employees for the need of the organization? Where best management control is adapted to ensure the needs and interaction with suppliers, employees and customer and to achieve the desire objective of the entity concern. Some others benefits for change management are as under.

a) Continuous planning for change b) if the organization going wrong means not achieving the objectives so the consistence planning may support in this case. C) Communication with suitable persons while if there is any change occurs. D) Giving importance to those area of the business in which need of change management.

Planned organizational change model:

The organization change can be made by observing the internal and external trends, need and patterns, the manager can use planned change to support the organization, when the organization facing a lot of problems, failing to anticipate and respond to new needs or any other fault in the management activities. So in this situation four major events can be fruitful. These may be depend by the management style that how they manage or handle all these changes in the organization.
- To see the external and internal forces for existence of change
- The manager must monitor all these forces and be aware about the need for change in the organization.
- The trigger for change and then implemented these changes

Change forces:
A variety of forces exist in the organization for change externally as well as internally or with in the organization.

External forces for change: external forces may prevail round the organization it may be customer, supplier, economic condition, political stability, technological change, and international business development.

Internal forces: when management decide to bring change the organization all the internal activities may also be change to meet the rapid growth of the organization. Internal forces may include behavior and attitude of the employees, culture difference, organization structure, rules and policies regarding the company internal environment etc.

Organization change process/ steps for effective organizational change.

There are four basic steps for making change in organization they are as under
- **Assess needs for change.**
- **Initiate change/make a step for change**
- **Implement change/apply change**
- **Monitor or evaluate the change**

Assess the need for change: to recognize the organizational problems that where the problems exist and identify the sources for problem solving.

Initiate change: in this stage it decides that where the ideas would develop or what will be the ideal future state. It also involve search, creativity, and new venture team.

Implement the change: the third step in change process is idea implementation because no one can make a change when the core idea is totally implemented in the organization, the manger must be aware about the resistance from the side of employees an they must have technical ability to mange organization in that situation, because change management may also create resistance from the side of employees and these must be solve with core attention by the manger.

Evaluating the change

The last step in the change management process, after fully implementation of the change ideas into the organization now it is the responsibility of the managers to see that the organization goals are achieving or not, the profitability, productivity and reputation of the organization have some improvement or not, it must be compare with result of pre change in the organization and with post change. And than corrective action or decision must be taken to improve further situation.

Assess change needs------ Initiate change -------Implement change-----Evaluate change

Resistance to change:

Some of the employee while doing or after implementation of the change in the organization not satisfied due to some reason and they may be creating some problem for change management. They may be includes the old employees of the organization, the middle level mangers, and other factors, but it typically includes the following resistance to change.
1) The employees not satisfied from change due to their self interest. Because the old employees feel that the new system of change may suffer the interest of the employees.
They also create resistance due to lake of trust and understanding of the fact.
2) The uncertain situation may also move employees to create resistance because lake of information about the change it leads to employees in uncertainty which create resistance.
3) Different idea and goals of the employees or people may also suffer the change management process.
The manger must take active steps to reduce the resistance, because resistance in change management process must exist and this is the responsibility of the team manger to study the situation and adapt the strategies on that behalf. Here two approaches may be suitable in such a resistance case. One is the **force field analysis approach**, in this approach the management must see that which force is primary disturbing the change they must find out the reason on this behalf and make a strategy to reduce the resistance.

The **second is implementation tactics**; it includes five major tactics such as

- **Top management support**

- **Participation**
- **Negotiation**
- **Communication and education**
- **Coercion**

Planned change types

After knowing about the initiation and implementation that how it take place in the organization , now the question is that what are those area in which organization have interest to made a change they may be includes different type of organization change strategies such as change in organization structure, technology, product, strategy and culture etc.For example a toy company may can introduce a continues change in the product, similarly the product require new technology and so on these are interdependent in each other the improvement of one requires the improvement in others.

- **Change in strategy**
- **Change in product**
- **Change in technology**
- **Change in structure**
- **And change in culture**

But it may be depend on the external and internal environment of the organization.

Development of the organization/organizational development (OD):
The development of the organization can be achieved by using the behavioral sciences knowledge. The good health of the organization may become possible if there is good relation among the workforce and the productivity of the organization is high. And to solve the problems of the employees and to provide good and sage environment, and to understand the environmental changes of the organization. The OD expert can help the mangers in the following three main cases.
The mergers or acquisition of the firms
The decline of the organization or revitalization
And the conflict management.

Activities of the organization development:

Following are the important activities of the OD
- ✓ Inter group activities
- ✓ Survey feed back activities
- ✓ Consultation process activities
- ✓ Team building and development activities
Organizational development steps
The following models which was presented by lewins suggest through these one can achieve the behavioral or attitudinal changes these are as under

Unfreezing, changing and refreezing

Unfreezing: in this step the participant are made aware of the problem and it is a diagnostic stage.
Changing: in this step the specialist develop plans for training managers and employees.
Refreezing: last step in this step of reinforcement stage, in which the individual need new skill and the organization rewarded for it.

<div align="center">Change management example:</div>

Pakistan Telecommunication Company Limited.
Company profile.

Pakistan Telecommunication Company limited was established in 1991, when they took over the operation form the Pakistan telephone and telegraph department. PTCL one the leading communication company of the country the head office of PTCL is Islamabad, the running partner of the company are ETISALAT Dubai base company and GOVERNAMNET OF PAKISTAN, etisalat having 26% shares in a company. The process of privatization start July 2006, but the company still leading communication company in the country. www.ptcl.com.pk
Key persons of PTCL:
President and CEO
WalidIrshaid

Board of directors PTCL
Mr. Saeed Ahmad Khan
Chairman PTCL Board
Mr. Abdulrahim Abdulla Abdulrahim Al Nooryani
Member PTCL Board
Dr. Waqar Masood Khan
Member PTCL Board
Mr. Abdulaziz Ahmed Saleh Ahmed Al Sawaleh
Member PTCL Board
Mr. Mushtaq Ahmad Bhatti
Member PTCL Board
Mr. Fadhil Mohamed Erhama Al Ansari
Member PTCL Board
Mr. Abdulaziz Hamad Omran Taryam
Member PTCL Board
Dr. Ahmed Al Jarwan
Member PTCL Board
Ms. Farah Qamar
Company Secretary PTCL

PTCL PRODUCTS.
Telephone, internet, wireless, iptv.

Privatization of PTCL. /summary of change management of PTCL
 The privatization was start since 1991, but it was completely laid down in July 2006, by the government , the government of Pakistan still the owner of the company but management is handover to etisalat a Dubai base company, the performance of the PTCL when the company was the sole property of the government was not so good due to tight corruption and low working condition of the employees as well as emerging of the new competitor in the market, than the government decide to privatize or made a change in the
Management of the company. And finally the changes take place in July 2006. It was decided in 1991 but due to sever resistance from the side of employees it was postponed by the government and last it was taking place. the professional were developed the business model for privatization /change management in the following areas of the company.
Change in management of the company
Quality and new product
Downsizing of the employees
And change in the external policies of the company.

The professional have developed strategies for change the management to cope the modern challenges, latest technology and social services. So the management was handover to the professional one to manage the company. The quality of the product specially count in the privatization in the ptcl, because the rival or competitor were consistently damaging the company reputation in the market so the strategies were adopted to cope the situation and now the company have developed latest product which serving the customer and maintaining the customer loyalty. Similarly the company also decide to have change in employees because the huge number of inexpert and uneducated were the problem and burden over the company which consistently disturbing the profitability of the company so management decided to change and bring downsizing in the company to sustained the company profitability and productivity.

Competitor of the company

The telenor Pakistan, zong china, jazz, ufone, warid and wateen are the some competitors of Pakistan Telecommunication Company but the company still on the top of the rival.

Importance of change for PTCL

Before change management in PTCL the work performance and a variety of product in nothing to count, but when the company got change they develop new product with low price offering, new strategies for improvement, improve the reward system of the employees, introduce the new technology in phone system, develop new brand product on the name of broad band, iptv, wireless etc, and change the management level to improve the planning and administration activities. Now the Pakistan Telecommunication Company is the best position as compared to

its rival and competitors and also the company work environment is good as compared with past.

Resistance to change of PTCL

Resistance is always the result of change and the history witness that it come with the organizational change, from the side of its employees and other factors, PTCL was the firs company who were privatized so resistance is obviously, and resistance come from the side of employees and some political parties and some other social groups. Now the question is that how the PTCL avoid such resistance at that time. There is no single methodology which best fit to the situation but some practices and techniques can overcome and reduce the intensity of resistance. The Pakistan telecommunication has adopted the following techniques to reduce the resistance such as

- **Speak to the individual**
- **Involve every layer**
- **Communicate the message with employees and others**
- **Prepared himself for the unexpected situation**
- **Start from the top**
- **Make the formal case**
- **Address the human side systematically/people issues**

Effectiveness of the change management strategies

After implementation of the change management strategies the PTCL now have rebuild his own reputation, the quality of the product has also improved, new technology for the betterment of the customer services have been adopted, employees have been trained and developed, and total quality management techniques is now adopted to maintain the product quality, the company share has also increased. And now through this change strategies motivation tactics have been applied to get work done through the help of others and retain the customer value and loyalty.

Recommendation:

New product with low price
By keeping in mind the intense competition in the cell phone companies, a variety of packages and services offering by the companies, it is now the responsibility of PTCL to take through market research and understand the whole situation and develop such a products which is high in quality but low in price and also which give customer valve and satisfaction.

Relation with employees.
In past the company have taken downsizing steps which greatly damage the company reputation in mind of general public, now the company must give future security to employees

and freely communication so the employees will feel free and they will discuss each and every thing with management by this the company reputation will be again maintain and the profitability will increase.

Value to customer

The ultimate target of each and every company is customer so the company must give full concentration on the core issue and services of the customer and specially that customer who are still loyal to the company ant the company should adopt such a policy which retained the loyal customer.

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