

THE CHALLENGE OF CHANGE

It is often said that change is the only constant in today's business climate. While no one disputes the frequency with which change occurs, to what degree organizations benefit from change is a matter worthy of debate. Most people in an organization view change with some degree of skepticism. No doubt, organizational change is uncomfortable and bothersome. But is it worth it? Can change occur in more palatable form?

Much is made in both business literature and the general media about the management fad that is currently in vogue. We have all heard and read, perhaps more than we care to, about TQM, reengineering, and most recently, rightsizing. The biggest mistake an organization can make in implementing change is rushing to jump on the bandwagon of the latest fad. No savvy manager these days will openly advocate a status quo perspective, but too much change can be as harmful to an organization as too little. Managers anxious to "keep up with the Joneses" in terms of the latest management fads often get so caught up in the buzzwords and trappings of process that they overlook three basic rules for business success: 1) take care of your customers (or your competitors will!), 2) give employees the tools they need to do their jobs, expect them to do their best, and reward them appropriately and 3) cut out bureaucracy and unnecessary procedures that inconvenience customers and employees. Changes that help an organization focus on these basics should be pursued. Those that obscure the basics should be avoided.

Research shows that most change efforts which are less than optimally effective fail to fully address the people side of change. So many organizations tout the importance of their employees to their success but fail to "walk the talk" when implementing change. All too often, while the technical and procedural aspects of change are well planned and implemented, the people issues are woefully overlooked. All of us realize that people inherently resist change, but resistance can be minimized if change is approached carefully and properly. Not surprisingly, communication is key to effective implementation of change. A Wall Street Journal article citing a survey of 164 chief executive officers indicated that they realized communication helps create more employee commitment to change, but 86% said other demands prevented them from devoting more time to communicating. Sounds like a question of establishing priorities!

Employee resistance to change often occurs because they have a high degree of comfort with the "old" way of doing things and do not see benefits for either themselves or the organization from the "new" way. Thus, upfront

communication about the impetus for change is critical. Generally, change occurs due to competitive pressures, changes to organizational structure, or technological advances. To increase their acceptance of change, employees must understand why the "old" way is no longer the best way.

Employee involvement in planning and carrying out change is encouraged to the greatest extent possible. Change is threatening to employees who fear they will be unable to learn the new ways or they will lose their jobs as a result of the changes occurring. In addition, most of us have an urge to "dig in our heels" when we have no control over changes that affect us. When employees have some role in engineering change, they are less threatened, and the likelihood of employee acceptance is dramatically improved.

Finally, implementing large scale change in an organization is, and should be, a time-consuming process. Patience is the watchword. Sometimes, though, management takes a "flip the switch" approach by making changes to organizational structure, processes, or management style and then expecting corresponding changes in employee behavior and attitudes to miraculously occur overnight.

Managers overseeing change must not underestimate the impact it will have on the people, as well as the processes, of the organization. With proper analysis, communication, and implementation, however, organizational change can truly result in organizational improvement.