

# Perspectives on instituting change management in large organisations

**Alan Lawler & James Sillitoe**

**Institute for Professional and Organisational Learning, University of Ballarat, Victoria**

Australian universities are currently undergoing significant and deep-seated change to their funding models through their relationship to Federal government social development and research agendas. Consequently, changes are being instituted at all levels of university activity. Such changes are often accompanied by considerable disruption to traditional and accepted practices. This has had the effect of introducing unanticipated institutional difficulties and is causing some significant levels of personal uncertainty for staff. We suggest that such difficulties might be mitigated by more effective, efficient and transparent change management strategies.

## Introduction

Contemporary organisations must not only function efficiently and effectively at a given point in time they are also required to constantly negotiate their way in an environment that is constantly changing, often in ways that have been largely unforeseen. This dual problem of continuing to provide a service or perform necessary tasks in a competitive environment while at the same time engaging in activities requiring management of changes to traditional ways of working or reporting, often at deep structural levels, is a significant problem that has not adequately been addressed at many organisational levels. Without suitable strategies and procedures, there is risk of diminution of production or function, considerable economic loss and employee disruption, which can have long-term effects on an organisation's employee relations.

This problem has been realised for some time: the concept of change management has a long lineage and has been responsible for an extensive body of literature. The intention of this paper is to provide a brief summary of the most recognised and useful attempts to provide a theoretical basis for those working within the change management area and to comment on the applicability of those theories to the current Australian university context. In addition, there are some comments on the related concept of 'a learning organisation', since it is proposed here that organisational learning is a key element of successful change management.

## The notion of change management

The concept of change management involves various attempts to examine systematically ways of minimising disruption to the conduct of existing institutions while

introducing deep-seated alterations to traditional ways of working. In the context of this debate, the notion of 'change' implies an intended material difference of circumstance so that the system undergoing change is to become distinctly different from its previous state rather than having undergone a simple alteration that has substantially preserved its former identity. It is this notion of significant change that is at the heart of change management practice and it is the nature of this 'distinctly different state', which causes intractable problems for change managers.

What follows is a brief survey of several change management theories that have made useful contributions to the development of the current state of the change management debate. It is hoped that this description might provide a suitable platform for launching more efficient and effective approaches to changes in higher education in the future.

### **Lewin's model of change**

Kurt Lewin's (1947) model of change has been 'profoundly influential' (Analoui, 2007) in informing the development of debate in this area. This model of change is seen as consisting of three distinct steps or phases:

1. Unfreezing the current work processes or organisational culture.
2. Instituting change by moving to a new system.
3. Freezing of attitudes and practices at the new system level.

One of the significant contributions of Lewin's model is the recognition that previous work processes and organisational culture needs to be 'unfrozen' or loosened up before a new change or work process can be introduced. Clearly, this is a most challenging moment for staff that may have spent a considerable amount of intellectual and emotional energy in the development and promotion of a particular system. This gives substance to Lewin's view that if new processes or expectations are introduced *without due recognition of and a transition from previous work processes and expectations*, the proposed changes would not be incorporated (Analoui, 2007). Implicit in the second phase is the notion that the new system must be seen as superior or more appropriate in some way to the existing circumstance or the resulting resistance will prevent worthwhile change from occurring. The other significant contribution that comes from Lewin's approach is that once introduced, the new change needs to be reinforced and 'frozen' into the

work system to prevent slippage back to previous practices or replacement by a subsequent change.

It is interesting to contemplate that while this model appears to make sense, at least intuitively, it invites serious debate about why many, if not most, change initiatives which follow such a path apparently do not succeed. Morrison and Milliken (2000) provide a fascinating discussion of the various forces and management beliefs that serve to block successful change management and create a culture of 'organisational silence', which they define as the widespread withholding by employees of important information about potential problems or issues that affect the organisation. The authors cite a report of 845 line managers from diverse organisations where only 29 per cent of first-level supervisors thought that their organisation encouraged employees to express opinions openly (Morrison & Milliken, 2000, p. 706).

Two of the most common reasons for not providing feedback were concerns about negative repercussions on the employee and a belief that speaking up would not make a difference. The authors suggest three main consequences of organisational silence: that employees develop feelings of not being valued, a perception of lack of control over their work circumstances and cognitive dissonance between their beliefs about how they should communicate in the workplace and how they did communicate in the workplace. The cognitive dissonance issue is an interesting one because it contrasts the employees' preference to be open with communication in the workplace with their perception of being punished for doing so. Consequently, the quoted survey found that instead of providing upwards feedback about important issues employees were guarded with information and tended to whisper behind closed doors out of management's earshot. We will discuss the causes and implications of these barriers to effective change management as we outline the following change models.

### **'Emergent' change models**

A second approach to change management is a group of theories classified as 'emergent' change management (Analoui, 2007). The term 'emergent' is used to denote that the theories in this group are deeply intertwined with the factors affecting the organisation during the change process. It is suggested that the success of the change process will be determined by how quickly and effectively the organisation responds to the demands of changes in the internal and external organisational

environments. Mintzberg's (2003) theory of 'emergent strategy' fits into this group of theories by suggesting that leadership and strategy making must be immersed in, and congruent with, environmental factors. It is from this group of theories that environmental scanning has become prevalent. Pettigrew and Whipp (1991) suggest five steps or phases for an 'emergent' approach to change management:

1. Environmental assessment.
2. Leading change.
3. Linking strategic and operational change.
4. Strategic human resource management.
5. Coherence in the management of change.

The first step of 'environmental assessment' is one that will be familiar to those who have engaged in PEST (Political, Economic, Sociological and Technological) and SWOT (Strengths, Weaknesses, Opportunities and Threats) analyses. Indeed, part of the appeal of emergent models is the explicit acknowledgement that change does not occur in a vacuum and that the political and pragmatic context of the system or process under change has a critical influence on change management planning.

Pettigrew & Whipp's (1991) contention that incremental, intentional change leadership may be more effective than the dramatic change led by charismatic leaders as extolled in the business and popular press will be a relief for many, particularly in the individually autonomous yet collegial world of universities. That the strategic priorities of change are implemented in the everyday world of operational management is relevant for the byzantine nature of most universities in Australia. Change management in a large, bureaucratic organisation like a university with its multiplicity of committees and fiefdom-like faculties and schools will be implemented by academic and general staff managers, not just by the executive group.

Pettigrew & Whipp (1991) continue their evidence-based review of emergent change in large organisations with the discussion of the fragile capacity of an organisation's human resources and the overall importance of the most complex of their five components of change management for competitive advantage: maintaining coherence in the management of change. As these authors suggest, the requirements

for coherence arise from the implications of the other four aspects: that coherence is 'the ability to hold the organisation together while simultaneously reshaping it' (p. 266). They argue that consistency of purpose and consonance of practice as the environment continues to change are the most likely way to gain competitive advantage.

It is interesting to compare this theoretical approach with the various authors' practical examples. Leopold and Harris (2009) refer to the 2007 CIPD (Chartered Institute for Personnel and Development) survey of 635 learning and development managers across a range of industries which reported that one-third of respondents to the survey did not participate in the change planning process until after all the major decisions had been taken. Morrison and Milliken's (2000)

---

**...part of the appeal of emergent models is the explicit acknowledgement that change does not occur in a vacuum and that the political and pragmatic context of the system or process under change has a critical influence on change management planning.**

---

tenth proposition regarding the management beliefs which create organisational silence is the condition in which top management has what could be called a patriarchal, 'management knows best' attitude where dissent is considered to be undesirable and managers are more likely to reject or

react negatively to input from subordinates and less likely to informally solicit feedback. How the organisational scanning required for successful 'emergent' change management is to occur when staff feedback is missing is clearly problematic.

The next approach illustrates how later developments of change theory become increasingly complex and tend to broaden the range of concepts which are involved. Such a development is inevitable since change management involves not only the alteration of a system but it is sensitive to the environmental context and ways in which human participants react emotionally and pragmatically to their circumstances.

### ***Transactional and Transformational Change***

Transactional change, transformational change and leadership are concepts that have received much attention in the change management literature, (Kouzes & Posner, 1987; Kochan & Dyer, 1993; Hargrove, 2003) and they are closely related to notions of organisational learning. At the simplest level, 'transactional change' could be said to be related to, and a consequence of, single-loop learning (Argyris, 1999).

In such a case, incremental changes to a system are implemented through the deployment of new policies and practices. An organisational example of transactional change in a higher education setting could be the implementation of a new word-processing or information management software package or a new policy regarding staff recruitment and selection.

In contrast, 'transformational change' begins at the more complex double- and triple-loop level of learning (Argyris, 1999) whereby more fundamental re-shaping of patterns and behaviours (double-loop learning) or entire paradigms of operation and strategy (triple-loop learning) create widespread, systemic change in the organisation and could be said to 'transform' the organisation.

It can be argued that the Dawkins reforms of the late 1980s were an example of transformational change (Harman 1989) and the current reforms recasting the vocational education sector in Victoria (Victorian Government, 2008) and the introduction of a single accrediting body for tertiary education in the form of TEQSA (Tertiary Education Quality and Standards Agency) are perhaps no less transformational.

Universities need to consider the extent to which they wish to engage with either or both transactional and transformational change. As noted previously, a true learning organisation would engage in not only single- and double-loop learning, but operate at a level of triple-loop learning which would at times involve transformational change due to the alteration of perspectives and thinking patterns involved with triple-loop learning.

Whereas this approach has much to recommend it, involving as it does a clear theoretical basis of organisational learning, it is clearly quite complex and would be difficult to introduce into a workplace that is already under stress to meet deadlines and output schedules.

### ***Senge's 'system learning' concept***

Senge's (1990) major contribution to the discourse about organisational learning was the popularisation of the 'systems learning' concept in which change occurs in a dynamic environment - everything related to the system also keeps changing along with the specific, intentional change that is being implemented. Emphasising the resultant complex and reflexive nature of institutional change, Senge makes it clear that any change in one part of the organisation will affect other parts of the organisation and that thinking in terms of isolated change processes or programs is

naïve and doomed to failure. Senge's model of change management has been refined and updated by Kotter (1996), and it is this modification that is our preferred route for change management initiatives.

### ***The Kotter (1996) Model of Change***

In the first part of this discussion we have described several useful models of change management and indicated what we think to be the strengths and weaknesses of each approach. Others (for example, Leopold & Harris, 2009, pp. 405-407) appear to concur with these observations, which gives us further confidence in recommending the adoption of Kotter's eight-phase model of change management (Kotter, 1996) as an appropriate model to guide change in a higher education setting.

As will be seen, the model is more comprehensive and elaborate than preceding approaches, but we hold that this is a significant advantage given the historically complex situations that higher education settings represent. Indeed, central to our concern is that we believe that change must be carefully instituted into higher education systems where individual students and staff careers are at stake, the likelihood of organisational silence is high and the future of national research and training priorities are directly involved.

Kotter recommends that eight stages need to be addressed, instituted and completed for a successful change process to occur. These are:

1. Establish a sense of urgency (around the particular change initiative).
2. Create a guiding coalition (among key stakeholders and staff).
3. Establish a shared vision and strategy (with all stakeholders).
4. Communicate the change vision (to all stakeholders).
5. Empower employees for broad-based action (to implement the change initiative).
6. Generate short-term wins.
7. Consolidate gains and produce more change (in the desired direction).
8. Anchor the new approaches in the culture.

The Kotter model has had wide use in organisational change and development programs and represents a systematic approach that includes various levels of the organisation from executive management to line employees. In contrast to some models, it incorporates a dynamic aspect, particularly in relation to the sev-

enth step, which suggests that the change manager 'consolidate gains and introduce more change'.

This step is a critical difference to earlier models in that it suggests that in 'real organisational life' there is not a significant hiatus in the pace of change to allow for Lewin's third phase of 're-freezing' the implemented change (Robbins, Millet & Waters-Marsh, 2007). In addition, models of change such as the ADKAR (Awareness, Desire, Knowledge, Ability and Reinforcement) model favoured by project management (Hiatt, 2006) are often more tailored to specific project implementations such as in Information Technology environments. Because of this tighter focus on project details they may not be as useful for guiding organisation-wide change management and the organisational learning that this paper is proposing.

### **Synergy between organisational learning and change management**

Leopold and Harris (2009, p. 406) argue eloquently that organisational learning and change management are inextricably linked. They cite the position taken by Bratton and Gould (2007) who suggest that 'learning is the only strategy to cope with change' and provide more data from the 2006 CIPD survey of 635 learning and development managers which found that 93 per cent of respondents stated that a consideration of the learning and development implications of change is critical to its success. Notwithstanding the overwhelming agreement about the importance of the link between learning and successful change the degree to which employees are generally involved in decision-making concerning organisational change has already been noted.

Kotter (1990) suggested some time ago that management is about coping with complexity and leadership about coping with change. Given the rate of significant, on-going change in Australian universities, it would seem that an organisational learning approach dovetailed with a change management program might enable on-going change management to be handled in a way which would allow both the management and staff of the organisation to provide upwards and downward feedback, learn from the process and become increasingly effective in future change initiatives.

However, to facilitate the development of a learning organisation requires that executive managers, academic leaders and general staff resolve the conditions which create and encourage organisational

silence. For this to occur would require genuinely open feedback mechanisms, a systematic approach to the change process and appropriate support and training.

Given the plethora of failed and partly-successful change initiatives it is the authors' contention that overcoming the conditions which create organisational silence is at least as important as the change methodology selected. Morrison and Milliken (2000) argue that organisational silence is more the norm than the exception in organisational life. The following discussion serves to clarify the three main effects of organisational silence:

#### **1. Employees develop feelings of not being valued.**

Research on procedural justice has consistently shown that employees evaluate decision processes more favourably when those procedures allow for employee input, even when this input does not have much actual impact on decision outcomes. Morrison and Milliken (2000) quote further examples which suggest that change procedures that allow for the emergence of an employee voice are viewed more positively because they signal that employees are valued members of the organisation. Employees generally feel undervalued when they perceive that they and others cannot openly express their viewpoints, which leads to a loss of trust in the organisation.

#### **2. Employees develop a perceived lack of control.**

Related research shows that individuals have a strong need for control over their immediate work environment and over decisions that affect them. In a culture of organisational silence, Morrison and Milliken relate the consequent lack of perceived employee 'voice' with a sense of lack of control over work decisions and change and suggest that stress, withdrawal and a form of learned helplessness are the outcomes.

#### **3. Employees experience cognitive dissonance.**

Morrison and Milliken define 'cognitive dissonance' in their discussion of organisational silence as 'a discrepancy between one's beliefs and one's behaviour' (p. 721). The discussion suggests that staff want the opportunity to express their opinions but due to the lack of consultation - which creates a sense of being undervalued - and the fear of repercussion means that they do not speak up. The authors suggest that dissonance arises because 'there will be a stark contrast between what one expresses behind closed doors and what one expresses in public' (p. 721).

## Concluding thoughts

We suggest that in the light of the foregoing discussion the key factors for successful change management and for the embedding of an organisational learning culture within a large institution can be summarised in a few relatively simple notions. A large organisation needs to acknowledge that it:

- Learns from its mistakes
- Has consultation about decision making before decisions are made
- Institutes consultation about change before it is implemented
- Is committed to and supports ongoing training and development

Given that these notions underpin most collegiate endeavours, there is a range of suitable options for embedding organisational learning and change management into a university setting. However, given the general declining funding base for training and development programs it would seem prudent that a unified platform of organisational learning and change management across an institution needs to be pursued. Such a platform might be developed around a core of embedded staff trained in change management methodology and a 'flagship' approach introduced where one area might provide a model for change management, thereby reducing elements of initial resistance to change.

**Alan Lawler and James Sillitoe are academics in the School of Business, University of Ballarat, Australia.**

## References

- Argyris, C 1999, *On Organisational Learning*. Blackwell Business, USA.
- Bratton, J & Gould, J 2007, *Human Resource Management. Theory and Practice*, 4th Ed, Houndsmill; Palgrave MacMillan Publishers.
- Chartered Institute of Personnel and Development (CIPD), 2006, *Learning and Development Annual Survey and Report*.
- Hargrove, R 2003, *Masterful Coaching*, Revised Edition; Jossey-Bass/Pfeiffer, USA.
- Harman, G 1989, 'The Dawkins Reconstruction of Australian Higher Education', Paper presented at the *Annual Meeting of the American Educational Research Association*, San Francisco, CA, March 27-31.
- Hiatt, JM 2006, *ADKAR: A model for change in business, government and our community*; Prosci Research, Colorado, U.S.A.
- Kochan, TA & Dyer, L 1993, 'Managing Transformational Change: The Role of Human Resource Professional', *The International Journal of Human Resources*, Vol 4, No 3, September.
- Kotter, J 1990, *A Force for Change: how leadership differs from management*. Fress Press, USA.
- Kotter, J 1996, *Leading Change*, Harvard Business School Press, U.S.A.
- Kouzes, JM & Posner, B Z 1987, *The Leadership Challenge*, Jossey-Bass, USA.
- Leopold, J & Harris, L 2009, *The Strategic Managing of Human Resources*, 2nd Edition, Pearson Education, UK.
- Lewin, K 1947, 'Frontiers in Group Dynamics'. *Human Relations*, Vol. 1, No. 1, pp 5-41.
- Mintzberg, H 2003, *The Strategy Process: Concepts, Contexts, Cases*. Pearson Education, USA.
- Morrison, E & Milliken, F 2000, 'Organisational Silence: A Barrier to Change and Development in a Pluralistic World'. *Academy of Management Review*, Oct, 2000; Vol 25, Issue 4; pp 706-725.
- Pettigrew, A & Whipp, R 1991, *Managing Change for Competitive Success*. Blackwell Publishers, UK.
- Robbins, S, Millet, B & Waters-Marsh, T 2007, *Organisational Behaviour*, 5th Edition, Pearson Education, Australia.
- Senge, P 1990, *The Fifth Discipline, The Art and Practice of the Learning Organisation*, Random House, Australia.
- Victorian Government 2008, *Securing Jobs for your future – Skills Reform*. <[http://www.skills.vic.gov.au/\\_data/assets/pdf\\_file/0003/15969/SecuringJobs-forYourFuture-SkillsforVictoria.pdf](http://www.skills.vic.gov.au/_data/assets/pdf_file/0003/15969/SecuringJobs-forYourFuture-SkillsforVictoria.pdf)> Accessed 7 June 2010.