MGT 200: Organizational Behavior and Theory

Introduction to Organizational Change

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UC RIVERSIDE

Overview

- Forces of Change
- Types of change
- Models of Change

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Forces of change

- Demographic and social forces
- Technology
- Economic forces
- Competition
- Ethical forces
- Organizational (e.g., age, size)









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Types of change

- Magnitude of change
  - Evolutionary/first-order change
    - E.g., Operating system updates
  - Revolutionary/second-order change
    - E.g., restructuring, innovation, culture
- Proactive/reactive change
  - Unplanned due to external forces
  - Planned due to desire to enable org to better achieve its objectives





Strategic change

- Process of formulating, implementing and evaluating decisions that enable an org. to achieve its objectives
- Strategic plans may concern:
  - Products and service innovations
  - Organizational structure (e.g., downsizing, outsourcing)
- Goals: market share, profit, turnaround





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Lewin's force-field theory

Unfreezing: initiating change

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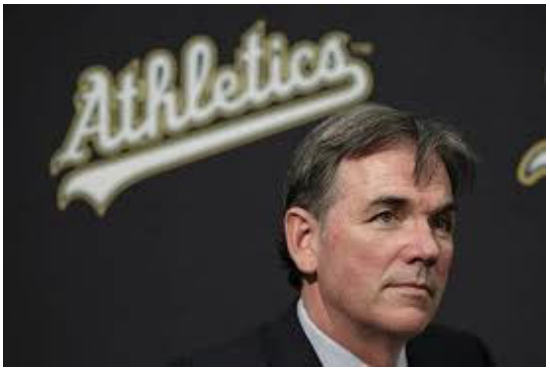
Movement: establishing change

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Refreezing: institutionalizing change

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Billy Beane and the Oakland A's

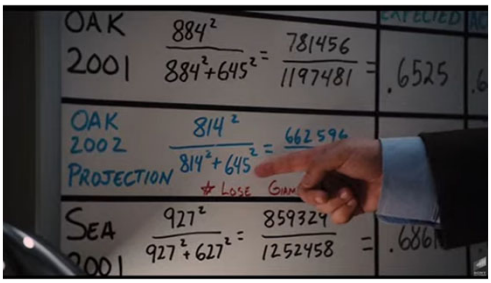


- 2002- Oakland Athletics had a $44m budget (vs other teams like the NY Yankees with $125)
- Baseball was heavily based on scouting and player statistics
- Integrated notion of sabermetrics in recruitment
- A's made it to the 2002, 2003 playoffs

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Unfreezing: initiating change





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Movement: establishing change



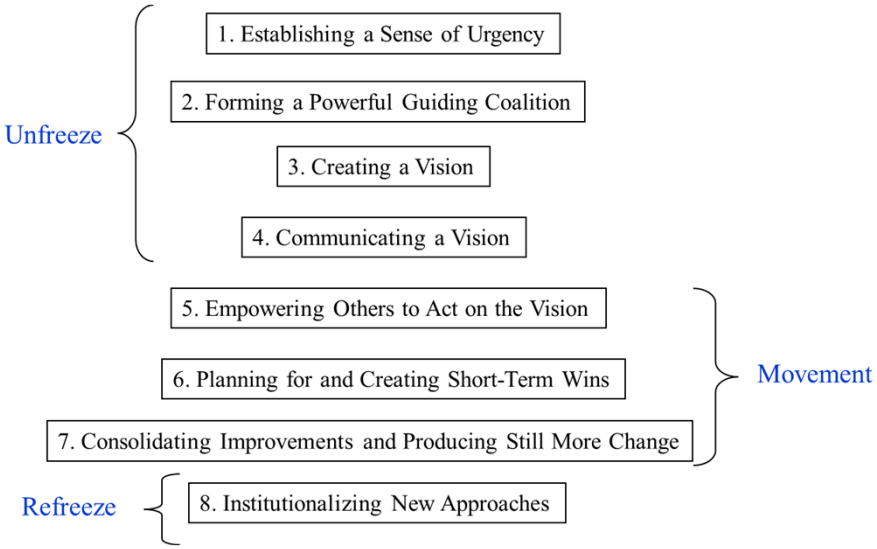
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Refreezing: institutionalizing change



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Kotter's 8 Steps for Implementing Change



Take-aways

- Change is constant
- Introduced terms for organizational change
- Two models of organizational change
  - Lewin's force-field theory
  - Kotter's 8 steps

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