MGT 200: Organizational Behavior and Theory

Challenges to organizational change

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UC RIVERSIDE

Agenda

- Forces of change
- Types of change
- Models of change
- Sources of resistance
- Managing change



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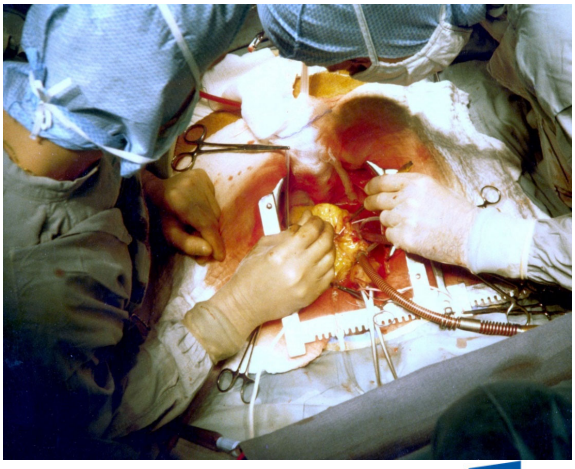


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People have a hard time with change

Within two years of coronary artery bypass grafting, 90% of people have not changed their lifestyles.

- *Dr Edward Miller, CEO of Johns Hopkins University Hospital*



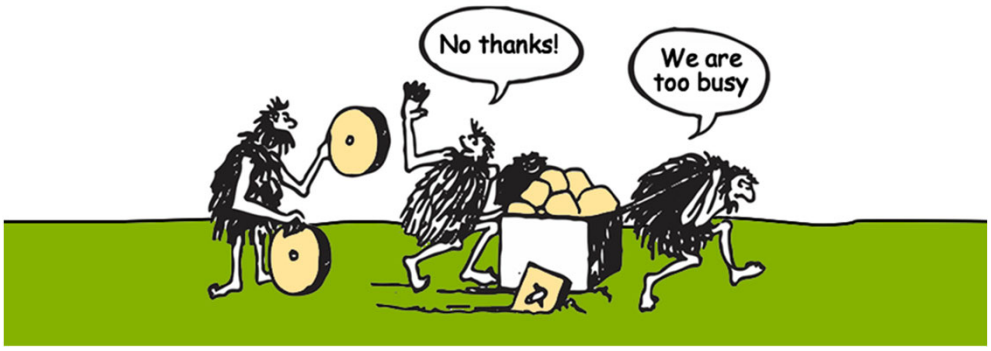
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Kotter says simply…..

1. Establish a sense of urgency (people need to understand why change is necessary)
2. Form a powerful guiding coalition (think about your networks!)
3. Create a vision (keep it simple!)
4. Communicate the vision (through many, many outlets)
5. Empower others to act on the vision
6. Plan for and create short-term wins (positive reinforcement)
7. Consolidate improvements and produce more change (don't declare victory or defeat too soon)
8. Institutionalize new approaches (think about culture!)

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The reality of change



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The reality of change

- Product or service innovations
  - Often resisted by the powerful
  - Affect more subsystems than expected
  - Stall at key adoption points
- Introduction and management of change influence ees' receptivity to change
  - Resistance stems from lack of will or skill
  - Status quo blinds people to perceived need for change

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Why do Individuals and Organizations Resist Change?

Individual sources:
Habit; security; economic factors, fear of the unknown; selective information processing

Group sources:
Group norms; group cohesiveness; groupthink and escalation of commitment; threat to expertise; threat to established resource allocations or power structures

Organizational sources:
Organizational inertia; limited focus of change

A closer look at resistance

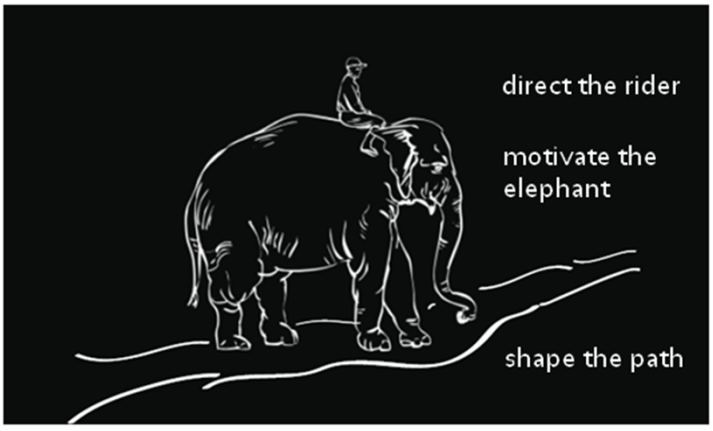
Our brains are like an elephant and a rider

- The **rider** is our rational side that deliberates, analyzes and looks into the future
- The **elephant** is our emotional side that is instinctive and feels pain and pleasure
- To change we need get the rider and the elephant moving in the same direction…but often times they don't want to go in the same direction!



Source: *Switch*, Heath & Heath

Overcoming resistance



Direct the Rider:

- Script the critical moves
- Point to the destination

Motivate the Elephant:

- Shrink the change
- Grow your people

Shape the Path:

- Tweak the environment
  - Remove obstacles
  - Shorten the course

Source: *Switch*, Heath & Heath

Take-aways

- In the face of change, we have good intentions
- Change is difficult
  - Were you able to maintain the small change you made during the video lecture?
- Resistance to change
- Managing change via the Elephant and the Rider

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