

Change Management

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MGM323

Lecture 9



Change Management

Lecture 9 Complex change

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Agenda Complex change

- **Introduction.**
- Complex change
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- Senior leaders and managers duties on Complex Change
- Change Management Model Examples
- Change Management Model Lippitt-Knostr
- Change Management Model Lippitt-Knostr components
- Change Management Model- Kotter model
- Change Management Model- Kotter model Steps

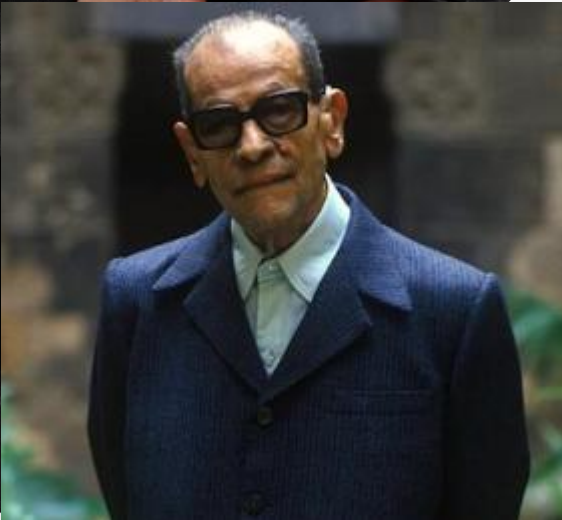
Change Management

This subject is about learning how to manage change. The world around us is changing very quickly. Almost every day, there is a new discovery or innovation, especially in science. Globalization also has a big effect on how we think about politics and business. At the same time, the problems that come with globalization are growing just as fast, which is also a big concern.



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You can tell whether a man is clever by his answers.
You can tell whether a man is wise by his questions.

Naguib Mahfouz (Nobel Prize Winner)

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Complex change

"Change is the only constant."—
Heraclitus, Greek philosopher



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Complex change

**"Change is the only constant."—
Heraclitus, Greek philosopher**

What was true more than 2,000 years ago is just as true today. We live in a world where "business as usual" is change. New initiatives, project-based working, technology improvements, staying ahead of the competition – these things come together to drive ongoing changes to the way we work.

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Complex change

Change management can be daunting, especially when it involves systems and multiple stakeholders.

It requires careful planning, effective communication, and a deep understanding of the organization's culture and dynamics. However, with the right framework and approach, managing complex change can become more manageable and even successful.

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The Definition of Complex Change

This chapter will look at the Complex Change models in detail and how it can help managers successfully manage complex change.



The Definition of Complex Change

What Is Complex Change?

A complex change management project occurs when one or more complicating factors create an obstacle. They can include:

- Geographically diverse locations
- Low investment from employees
- Major organizational restructuring
- Involuntary redundancies or job losses
- Crisis management

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Think of the highly varied work that goes into managing complex change, such as transitioning data from an on-premises environment to the cloud, integrating the production systems of a recently acquired business, or rolling out a fleet of 5G-capable devices at a hospital.

Beyond marshalling the raw technical expertise necessary for determining what's practical and on what timeline in scenarios like these, senior leaders and managers must also:

Senior leaders and managers duties on Complex Change

- Review potentially applicable rules, regulations, and legal precedents, such as data privacy implications and employment practices laws.
- Analyze the impact on company culture, including possible reorganization of teams and where they may work in the future, whether in-office, remote, or a combination of the two (i.e., hybrid work).

Senior leaders and managers duties on Complex Change

- Consider how employees, customers, the public, competitors, and regulators may respond to any prominent action.
- Plan and execute a communications strategy accounting for all of the considerations above.

Senior leaders and managers duties on Complex Change

Overall, managing complex change means steering projects that often have technological, cultural, and organizational dimensions, on top of all of their usual implications for the company bottom line. Such issues naturally test an organization's change management strategy, creating challenges on top of the fundamental uncertainty and resistance that any type of organizational change may inspire.

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Change Management Model Examples

Complex change warrants considerable detail and emphasis on a change management model that provides the guardrails, definitions, stakeholders, and processes for seeing a clear path forward despite expected obstacles. Ultimately, the model of choice can be configured to meet the needs of any organization or crafted entirely from scratch.

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Models

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Change Management Models



Change Management Model Lippitt-Knostr

1- Lippitt-Knostr model

One common framework, for instance, is the **Lippitt-Knostr model**, popularized in academic circles in the 1980s with roots dating back to research in the 1950s. This model, which has been iterated upon for decades, is effectively a matrix for managing change based on six pillars and their relationship to one another. If certain elements are missing in the change process, the effort will result in varying kinds of failure, as seen following:

Change Management Model Lippitt-Knostr

Managing complex change

Vision	Consensus	Skills	Incentives	Resources	Action plan	=	Success 😊
Vision	Consensus	Skills	Incentives	Resources	Action plan	=	Confusion 🤔
Vision	Consensus	Skills	Incentives	Resources	Action plan	=	Sabotage 😞
Vision	Consensus	Skills	Incentives	Resources	Action plan	=	Anxiety 😓
Vision	Consensus	Skills	Incentives	Resources	Action plan	=	Resistance 🙅
Vision	Consensus	Skills	Incentives	Resources	Action plan	=	Frustration 😡
Vision	Consensus	Skills	Incentives	Resources	Action plan	=	False starts 🤔

The Lippitt-Knostr Model for Managing Complex Change

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Change Management Model Lippitt-Knostr components

1- Vision: The picture of the future state you wish to achieve. Your vision will act as the guiding light, providing direction to the change process.

2- Consensus (*Knoster's extra component*): The collective agreement and support from all stakeholders involved in the change. Consensus ensures the change process is collaborative, reducing resistance and creating a sense of ownership.

Change Management Model Lippitt-Knostr components

3- Skills: The abilities and competencies required to implement the change. Skills ensure the team can convert the vision into reality.

4- Incentives: The motivators or rewards that encourage teams to embrace the change. Incentives can be intrinsic (like personal growth) or extrinsic (like bonuses).

Change Management Model Lippitt-Knostr components

5- Resources: These include the time, finances, personnel, and other assets necessary to support the change process.

6- Action plan: The detailed roadmap that outlines the steps to be taken to achieve the vision. It includes who does what, by when, and how.

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Change Management Model Kotter

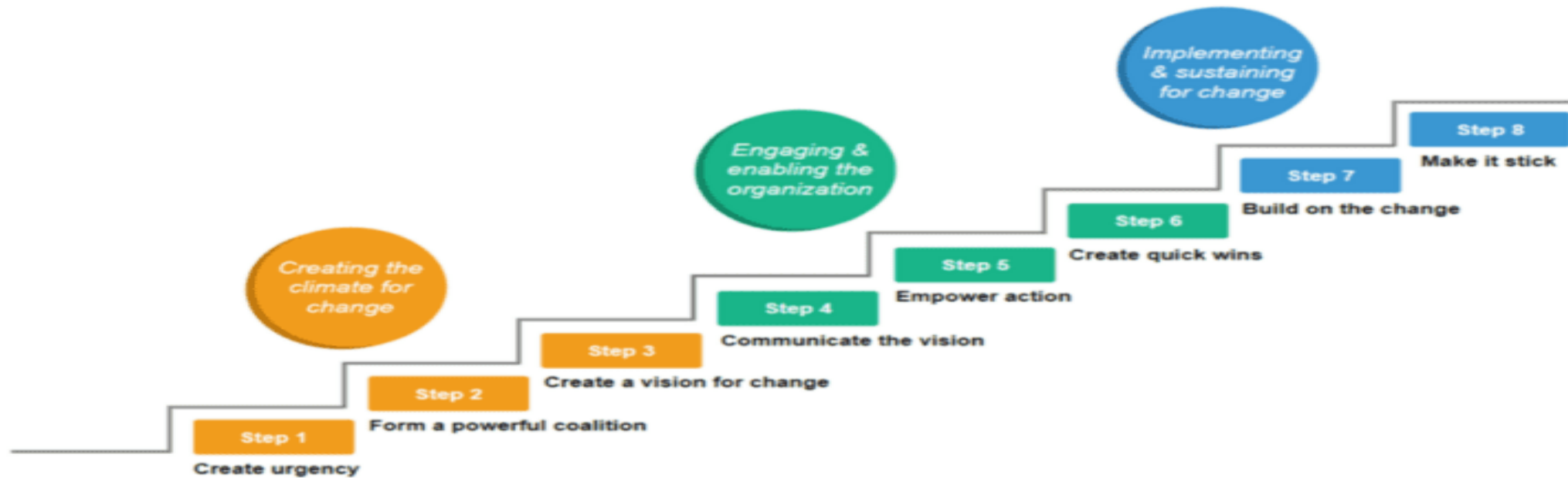
2- Kotter model

Another example is the [Kotter model](#), developed by Dr. John Kotter of Harvard Business School in the 1990s. This approach rests on eight linear steps that focus on the business impetus and cultural context in which change is ultimately necessary, seeing the process through from start to finish.

Change Management Model Kotter

2- Kotter model

Kotter's 8 Step Change Model



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Change Management Model- Kotter model

Step 1: Create Urgency

For change to happen, it helps if the whole company really wants it. Develop a sense of urgency around the need for change. This may help you spark the initial motivation to get things moving.

Change Management Model- Kotter model Steps

Step 1: Create Urgency

What you can do?

- Identify potential threats, and develop scenarios showing what could happen in the future.
- Examine opportunities that should be, or could be, exploited.
- Start honest discussions, and give dynamic and convincing reasons to get people talking and thinking.
- Request support from customers, outside stakeholders and industry people to strengthen your argument.

Change Management Model- Kotter model

Step 2: Form a Powerful Coalition

Convince people that change is necessary. This often takes strong leadership and visible support from key people within your organization. Managing change isn't enough – you have to lead it.

Change Management Model- Kotter model

Step 2: Form a Powerful Coalition

What you can do:

- Identify the true leaders in your organization, as well as your key [stakeholders](#).
- Ask for an emotional commitment from these key people.
- Work on team building within your change coalition.
- Check your team for weak areas, and ensure that you have a good mix of people from different departments and different levels within your company.

Change Management Model- Kotter model

Step 3: Create a Vision for Change

When you first start thinking about change, there will probably be many great ideas and solutions floating around. Link these concepts to an overall vision that people can grasp easily and remember.

Change Management Model- Kotter model

Step 3: Create a Vision for Change

What you can do:

- Determine the values that are central to the change.
- Develop a short summary (one or two sentences) that captures what you "see" as the future of your organization.
- Create a strategy to execute that vision.
- Ensure that your change coalition can describe the vision in five minutes or less.
- Practice your "vision speech" often.

Change Management Model- Kotter model

Step 4: Communicate the Vision

What you do with your vision after you create it will determine your success. Your message will probably have strong competition from other day-to-day communications within the company, so you need to communicate it frequently and powerfully, and embed it within everything that you do.

Change Management Model- Kotter model

Step 4: Communicate the Vision

What you can do:

- Talk often about your change vision.
- Address peoples' concerns and anxieties, openly and honestly.
- Apply your vision to all aspects of operations – from training to performance reviews. Tie everything back to the vision.
- [Lead by example.](#)

Change Management Model- Kotter model

Step 5: Remove Obstacles

If you follow these steps and reach this point in the change process, you've been talking about your vision and building buy-in from all levels of the organization. Hopefully, your staff wants to get busy and achieve the benefits that you've been promoting.

Change Management Model- Kotter model

Step 5: Remove Obstacles

What you can do:

- Identify, or hire, change leaders whose main roles are to deliver the change.
- Look at your organizational structure, job descriptions, and performance and compensation systems to ensure they're in line with your vision.
- Recognize and reward people for making change happen.
- Identify people who are resisting the change, and help them see what's needed.
- Take action to quickly remove barriers (human or otherwise).

Change Management Model- Kotter model

Step 6: Create Short-Term Wins

Nothing motivates more than success. Give your company a taste of victory early in the change process. Within a short time frame (this could be a month or a year, depending on the type of change), you'll want to have some "[quick wins](#)" that your staff can see. Without this, critics and negative thinkers might hurt your progress.

Change Management Model- Kotter model

Step 6: Create Short-Term Wins

What you can do:

- Look for sure-fire projects that you can implement without help from any strong critics of the change.
- Don't choose early targets that are expensive. You want to be able to justify the investment in each project.
- Thoroughly analyze the potential pros and cons of your targets. If you don't succeed with an early goal, it can hurt your entire change initiative.
- Reward the people who help you meet the targets.

Change Management Model- Kotter model

Step 7: Build on the Change

Kotter argues that many change projects fail because victory is declared too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve long-term change.

Change Management Model- Kotter model

Step 7: Build on the Change

What you can do:

- After every win, analyze what went right, and what needs improving.
- [Set goals](#) to continue building on the momentum you've achieved.
- Learn about [kaizen](#), the idea of continuous improvement.
- Keep ideas fresh by bringing in new change agents and leaders for your change coalition.

Change Management Model- Kotter model

Step 8: Anchor the Changes in Corporate Culture

Finally, to make any change stick, it should become part of the core of your organization. Your corporate culture often determines what gets done, so the values behind your vision must show in day-to-day work.

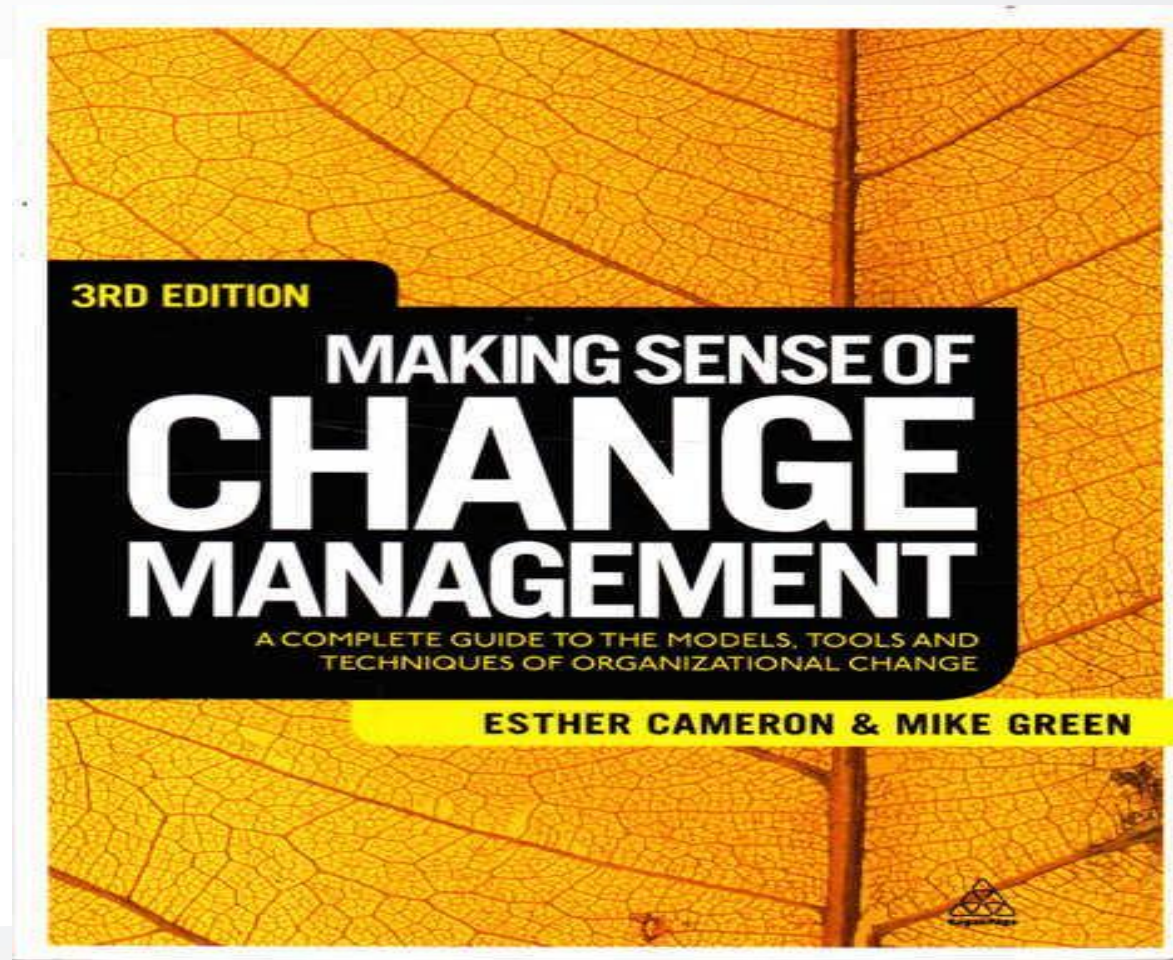
Change Management Model- Kotter model

Step 8: Anchor the Changes in Corporate Culture

What you can do:

- Talk about progress every chance you get. Tell success stories about the change process, and repeat other stories that you hear.
- Include the change ideals and values when hiring and training new staff.
- Publicly recognize key members of your original change coalition, and make sure the rest of the staff – new and old – remembers their contributions.
- Create plans to replace key leaders of change as they move on. This will help ensure that their legacy is not lost or forgotten.

Textbook



Thank You

