

# LESSON 1 SCOPE AND NATURE OF CHANGE

**Aim** Explain the scope of change management and recognised guiding principles of change management across workplaces and in individuals.

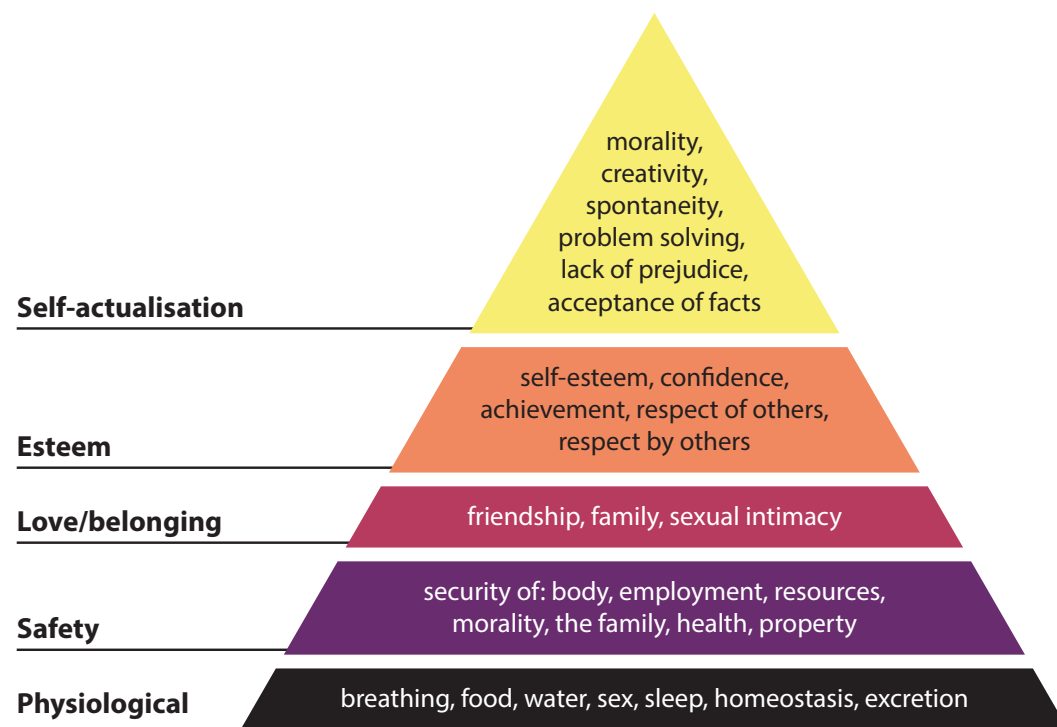
## INTRODUCTION

Abraham Maslow first started writing about his hierarchy of needs (see image) in 1943. The diagram shown here has been used extensively to illustrate how motivation works, explaining that to motivate a person, group or an entire organisation, you must ensure that their basic needs – for food, safety and shelter are met. Although people can have partially unfilled needs on multiple levels *at the same time*, if you want to motivate them – in this case to accept change, deal calmly with its impact and grow with the changes, you need to identify which

of their needs remain unfulfilled and address those needs.

The first four levels of the hierarchy are described as deficiency needs and arise because of deprivation and the motivation for them becomes higher the longer they remain unmet. For example, the longer someone goes without food, the hungrier they will become. The top level of the hierarchy is described as growth or being needs, it is at this point that motivation increases as the needs are met.

Maslow did identify that motivation does not rely on each level being met 100% before another need is identified.



## Suggested Tasks: ▼

*Throughout this course you will be provided with suggested tasks and reading to aid with your understanding. These will appear in the right hand column.*

*Remember: these tasks are optional. The more you complete, the more you will learn, but in order to complete the course in 20 hours you will need to manage your time well. We suggest you spend about 10 minutes on each task you attempt, and no more than 20 minutes.*

Maslow famously said:

“In any given moment we have two options: to step forward into growth or step back into safety.”

For most people, change is scary. They get comfortable in their routines and familiar habits. Stepping back into safety is the easiest option, even if it does not allow them to reach for their dreams. Stepping forward into growth can be frightening on a personal or a professional level – there will be new tasks, new expectations, and plenty of opportunities to make a mess of things. Change, especially within an organisation, does not come with guarantees – that the change will work as intended or that the individual will still have their job (and therefore access to food, safety and shelter) if they resist the change in any way. To manage change successfully – on a personal level, as part of a group or a larger organisation – we need to

- be aware of the impact that change can have on many levels
- find ways of minimising disruption during the change process
- accept and address the social and emotional challenges associated with change
- plan effectively, efficiently, and empathetically
- communicate in a timely and effective manner.

The need for change can arise from within a business or from external sources. For example, the Coronavirus

(COVID-19) pandemic of 2020-2021 forced businesses, schools, organisations, and individuals to undergo rapid and revolutionary transformation within a very short period. Some businesses unexpectedly went into liquidation when customers were no longer available, office workers had to learn to work effectively from home and supply chains, especially international ones, were no longer reliable or efficient. Face to face meetings were replaced by online video conferencing applications with mixed results. As businesses and individuals struggled to adjust to new ways of working and relating to staff, customers and suppliers, a new version of normal organisational behaviour emerged. Psychologists and change management specialists publish speculative articles about what the ‘new normal’ is following such rapid change. There has been some agreement that the impact of a pandemic on global mental health does present challenges for a longer time than immediately apparent.



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### Suggested Tasks

Before you start reading and working through this course, take 10 minutes to think about why you enrolled in this course.

Write it down.

Secondly, list 5 reasons why you think change management is important generally – to individuals or in workplaces?

## TYPES OF CHANGE IN A BUSINESS

Depending on the type of business you work in, the changes that might occur will differ – at least the specific details will. However, there are common areas of change that occur across most industry sectors.

Some of the most common changes in a business may include:

- Introducing new systems
- Altering processes
- Tightening or relaxing of procedures
- Introduction of a new reporting structure
- Revised employee work conditions/ regimes/hours
- Development of new teams
- Restructuring or changes to leadership
- Promotions and demotions
- Changes in the physical environment
- Mergers and/or Acquisitions
- Expansion of business into new markets
- Additions to/removal of product lines
- Reaction to a crisis (economic, health, social)

## Identifying Problems

Most change begins in response to something. This can be identified through feedback, consultation with staff, changes in revenue, or even a response to the world political climate. This change may be immediate, or it may occur over a longer period of time. For example, if you are reacting to a change in the business environment then you may need to do this very swiftly. However, there are also times where this will take longer as you will have more time to consider what is involved.

There is no single way to identify a problem, but there are some useful questions to consider:

1. Is there a problem you face regularly, or one that is acute but potentially devastating to your business?
2. What role does your business play in the community, society or the commercial sector generally?
3. Do you have a mentor who has faced this challenge before, and you can seek advice from?
4. How does your core business normally generate income?
5. Which areas of your business are not profitable?
6. What is your current pricing strategy and why? When were prices last reviewed?
7. Is your cash flow positive each month?
8. Is your current marketing strategy working for you?

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### Suggested Tasks

Conduct an online search for the phrase “Change Management Videos”.

Spend up to 20 minutes looking at the listings you find and watching some of the videos, with a view to broadening your perspective on change management.

Can you see any patterns emerge in the content or narrative on change management?

9. Are you reaching the customers you want to attract?
10. What external factors are impacting on your business?

## SPECIFIC TYPES OF CHANGE IN BUSINESS

The different types of change can be broken down into six categories as follows:

- **Reactive** – this is an unplanned and unpredicted change where there is little to no control available to the business. An event might include political unrest, environmental factors, or external events. The Coronavirus pandemic is an example of an unforeseen public health event which resulted in this type of change. This can be a very challenging time for an organisation and its employees causing tension and anxiety. There is often some element of unknown. We usually see a company respond with a sudden increase or decrease in demand for their products or services.
- **Planned and Strategic** – where the company has foreseen a change and structured their response. Planned change is substantially less threatening than other types of change, especially where the change process has been clearly communicated to all involved. This might be a planned merger for example, which has taken months and even years to come to fruition. This type of change allows for time to be put into the management of how it is handled. This often involves the whole company (usually a top-down form of constructive change). Examples may include a change in management philosophy or how decisions are made.
- **Incremental** – where changes are introduced in small amounts, allowing those involved to slowly get used to the change. This method of change management lowers any risk of damage arising due to failed change management. This could be in relation to the introduction of new technology where each department has the new technology phased into their existing processes and procedures, any issues at each increment are ironed out and changes made for the next stage.
- **Operational** – where changes are made to the company's systems and business practices, usually to save costs and/or to ensure that the company remains competitive in its market.
- **Directional** - where the company is required to make changes because of government policy changes (such as taxes, bill amendments, import or export embargos or similar).
- **Fundamental or Total Change** – when revolutionary change is required to prevent the failure of the business. This usually means a change of business mission is necessary. This may happen if the market has become unstable if the company's leadership is not meeting the business's objectives or if both productivity and turnover are in serious decline. This may involve complete restructuring, and an overhaul in the way the company approaches its market (as well as potential product changes).

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### Suggested Tasks

Research 'post COVID 19 change management' online. Spend 15 minutes reading what you find. Consider these articles in the light of your own experiences – personally or in workplaces.

What does the 'new normal' ways of living and working look like?

Make comparisons to life and work before and after the pandemic (where possible).

Journal this if you find it useful.