# **Effective Strategies of Change Management**

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#### Анотація

У статті розглядають основні принципи, які впливають на організацію змін в роботі працівників, аналізуються передумови для зміни образу мислення персоналу компаній, поліпшення їх працездатності і продуктивності.

**Ключові слова:** менеджмент змін, програми підвищення продуктивності, зміна образу мислення, система заохочень, рольова модель.

#### Abstract

The article considers the guiding principles effecting the change management activities, analyzes the conditions for changing mind-sets of the companies staff for achieving productivity and efficiency.

**Keywords:** change management, performance improvement programs, mind-sets changing, reinforcement systems, role model.

Success depends on persuading hundreds or thousands of groups and individuals to change the way they work, a transformation people will accept only if they can be persuaded to think differently about their jobs.

Companies can transform the attitudes and behavior of their employees by applying psychological technique. Before embarking on complex performance-improvement programs, they determined the extent of the change required to achieve the business outcomes they seek.

The psychology of change in its key guiding principles that will impact the change management activities are:

- 1.Senders and receivers
- 2.Resistance
- 3. Authority for change
- 4. Value systems
- 5.Incremental vs. Radical Change
- 6. The Right Answer is not enough
- 7. Change is a process. It means that each individual employee or manager who is impacted by a change must go through their own, personal process of change [1].

Most change management programs initiated by leaders in organizations fail. They fail fundamentally because it is conceived as an outside-in process, moving about parts of the organization, rather than an inside-out process which focuses on change within individuals.

Professor John Kotter's claim that nearly 70% of large-scale change programs didn't meet their goals, and virtually every survey reflects similar conclusions [2].

In the past, efforts at organizational change that have focused on the structural aspects of organizations have systematically failed because they have neglected the reality that change doesn't happen without individual people changing their thinking, beliefs and behavior.

Nate Boaz and Erica Ariel Fox argue organizational change is inseparable from individual change. They argue many people aren't aware that the choices they make are extensions of the reality that operates in their hearts and minds. If people believe in its overall purpose and it's in alignment with their own life purposes, they will be more inclined to change their individual behaviors.

Employees are what they think, feel, and believe in, not what the leader thinks, feels, and believes in. That is why individuals in organizations, to embrace change, must also engage in a process that changes how they think about themselves, not just their job. Or as Leo Tolstoy, the Russian novelist, famously wrote, "Everyone thinks of changing the world, but no one thinks of changing himself."

Traditional change in management tactics in organizations are based more on animal training than on human psychology and neuroscience. Leaders promise bonuses and promotions (the carrot) for those who go along with the changes, and punish those (the stick) who don't with less important jobs or even job loss. This

kind of managerial behavior flies in the face of evidence that shows that people's primary motivation in the workplace is neither money or advancement but rather a personal interest in their jobs, a good environment to work in and fulfilling relationships with their boss and colleagues [3].

Using these principles you will be able to work with many change management tools and adjust your approach according to the size and nature of the change, ultimately making your change a success.

To change the way people behave across the board to reach business higher performance goals it is needed (necessary) to change its culture fundamentally—from being reactive to proactive, hierarchical to collegial, or introspective to externally focused. Since the collective culture of an organization, strictly speaking, is an aggregate of what is common to all of its group and individual mind-sets, such a transformation entails changing the minds of hundreds or thousands of people.

Performance can be improved by startling changes in the behavior of employees—changes rooted in new mind-sets. This programs have a stronger chance of effecting long-term changes in business practice and thus of sustaining better outcomes.

Employees will alter their mind-sets only if they see the point of the change and agree with it—at least enough to give it a try. There are four conditions for changing mind-sets:

## 1.A purpose to believe in

The implication of the theory of cognitive dissonance for an organization is that if its people believe in its overall purpose, they will be happy to change their individual behavior to serve that purpose—indeed, they will suffer from cognitive dissonance if they don't. But to feel comfortable about change and to carry it out with enthusiasm, people must understand the role of their actions in the unfolding drama of the company's fortunes and believe that it is worthwhile for them to play a part. It isn't enough to tell employees that they will have to do things differently. Anyone leading a major change program must take the time to think through its "story"—what makes it worth undertaking—and to explain that story to all of the people involved in making change happen, so that their contributions make sense to them as individuals.

# 2. Reinforcement systems

Skinner's theories of conditioning and positive reinforcement were taken up by psychologists interested in what motivates people in organizations [4]. Organizational designers broadly agree that reporting structures, management and operational processes, and measurement procedures—setting targets, measuring performance, and granting financial and nonfinancial rewards—must be consistent with the behavior that people are asked to embrace. When a company's goals for new behavior are not reinforced, employees are less likely to adopt it consistently; if managers are urged to spend more time coaching junior staff, for instance, but coaching doesn't figure in the performance scorecards of managers, they are not likely to bother.

## 3. The skills required for change

How can adults best be equipped with the skills they need to make relevant changes in behavior?

First, give them time. During the 1980s, David Kolb, a specialist in adult learning, developed his four-phase adult learning cycle. Kolb showed that adults can't learn merely by listening to instructions; they must also absorb the new information, use it experimentally, and integrate it with their existing knowledge [5]. In practice, this means that you can't teach everything there is to know about a subject in one session. Much better to break down the formal teaching into chunks, with time in between for the learners to reflect, experiment, and apply the new principles. Large-scale change happens only in steps.

People assimilate information more thoroughly if they go on to describe to others how they will apply what they have learned to their own circumstances. The reason, in part, is that human beings use different areas of the brain for learning and for teaching.

#### 4. Consistent role models

The idea is that consistent role models are as important in changing the behavior of adults as the three other conditions. To change behavior consistently throughout an organization, it isn't enough to ensure that people at the top are in line with the new ways of working; role models at every level must "walk the talk."

The way role models deal with their tasks can vary, but the underlying values informing their behavior must be consistent. In a company that encourages entrepreneurial decision making at low levels, one middle manager might try to coach junior employees to know how to spot a promising new venture; another might leave this up to them.

Behavior in organizations is deeply affected not only by role models but also by the groups with which people identify. Role modeling by individuals must therefore be confirmed by the groups that surround them if it is to have a permanent or deep influence.

Change strategies are also based on a number of false assumptions about the predictive nature of the world and a linear approach to those strategies. Until a new dynamic one replaces the old paradigm of change, it's unlikely change management will meet with any more success.

It is neither easy nor straightforward to improve a company's performance through a comprehensive program to change the behavior of employees by changing their mind-sets. Sometimes tactical moves will be enough; sometimes new practices can be introduced without completely rethinking the corporate culture. Thus the only way for a company to reach a higher plane of performance is to alter the way its people think and act, it will need to create the four conditions for achieving sustained change.

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