

Managing Change

Prof. Martin Gargiulo

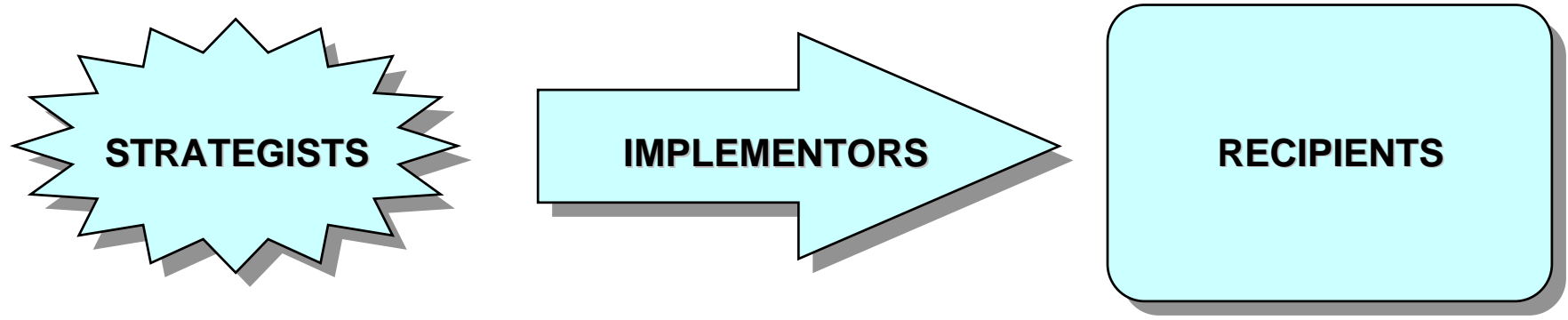
Today's agenda

- Introduction to the EIS Simulation
- Group Work: The EIS Simulation

Lunch Break

- Group presentations and Simulation debrief
- Lecture: Managing Change

The actors in a change process



Stages in the adoption process

STAGE 1: *Awareness*

The recipient becomes aware of the innovation

STAGE 2: *Interest*

The recipient develops curiosity about the innovation and is open to information (how does it work, potential benefits, etc.)

STAGE 3: *Trial and Evaluation*

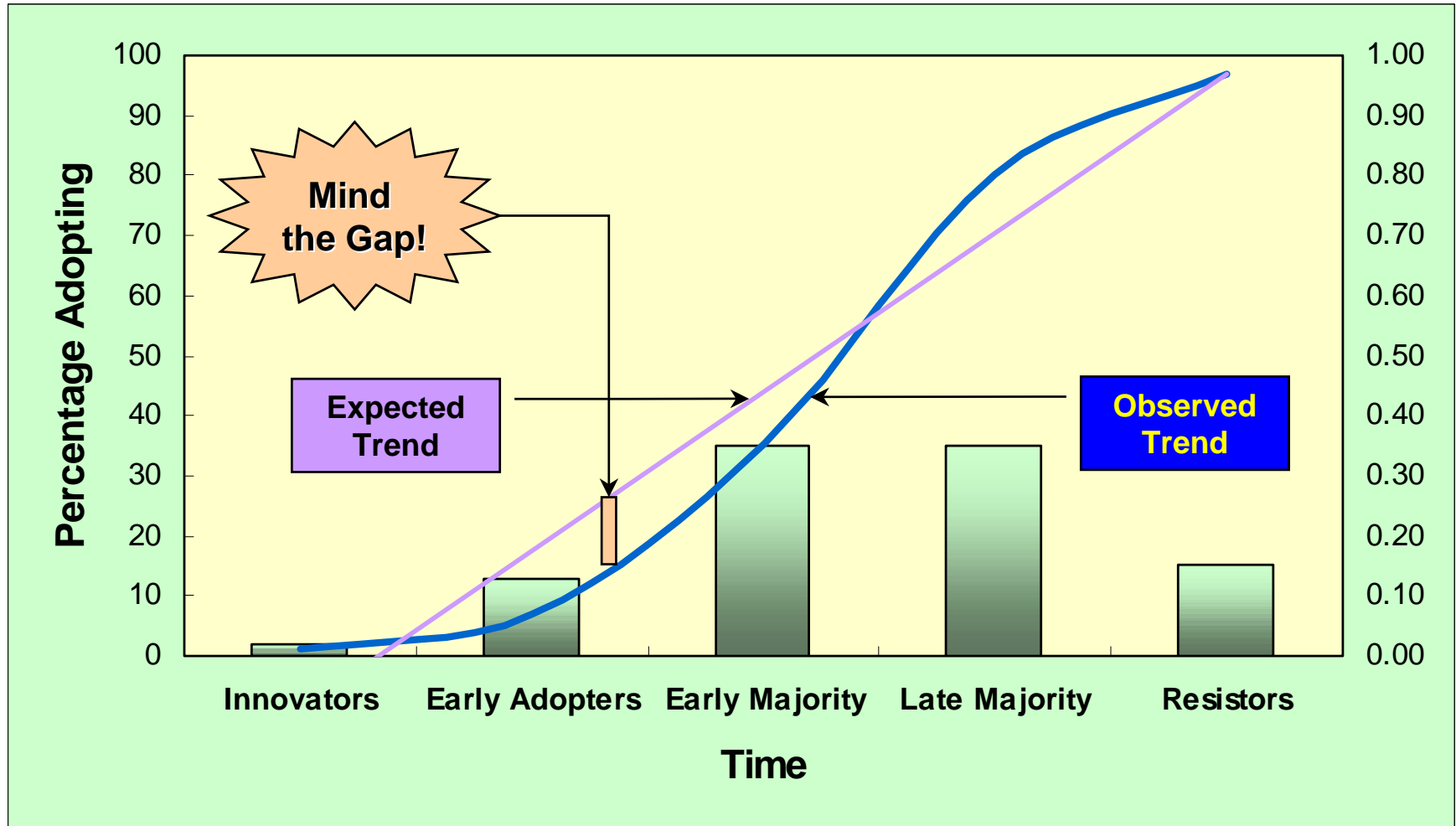
The recipient is ready to

- ☞ Evaluate the costs and benefits of the innovation
- ☞ Assess its probability of success
- ☞ Try it out on a small scale or in a pilot project

STAGE 4: *Adoption*

The recipient adopts the innovation and uses it regularly

Adoption of innovations over time



EIS Simulation: Major traps

- ***Poor allocation of time*** and other resources
- Blindness to ***process dynamics***
- Inappropriate use of ***change tactics***
- Limited ***information gathering***
- Underestimation of ***informal networks***

The timing of the tactics in the EIS

EIS Tactic	Diagnosis	Awareness	Interest	Trial
Personal profiles				
Task forces				
Coffee breaks				
Social networks				
Face-to-face meetings				
Internal magazine				
Electronic mail				
Memorandum				
Seek advice				
Management training				
Workshop				
Staff meeting				
Questionnaire				
External speaker				
Directors' meeting				
Pilot test				
Directive				?
Covert lobbying				?

Change processes: Major traps

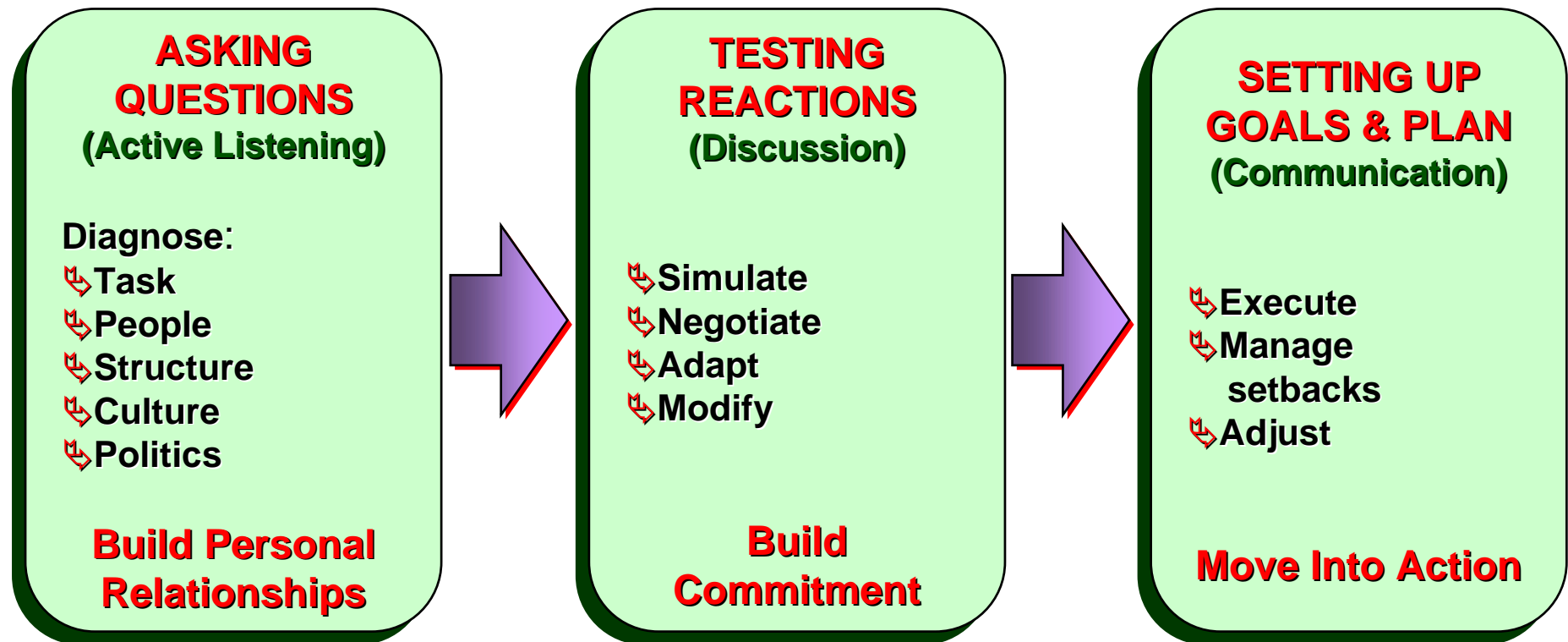
- Lack of *top management commitment*
- Lack of strong, credible *leadership*
- Underestimation of the “*Not Invented Here*” syndrome
- *Late involvement* of key implementers
- *Underestimation* of changes in informal power structure
- Widespread use of *authority* (“directives”) as the key implementation tactic

Evidence on change processes

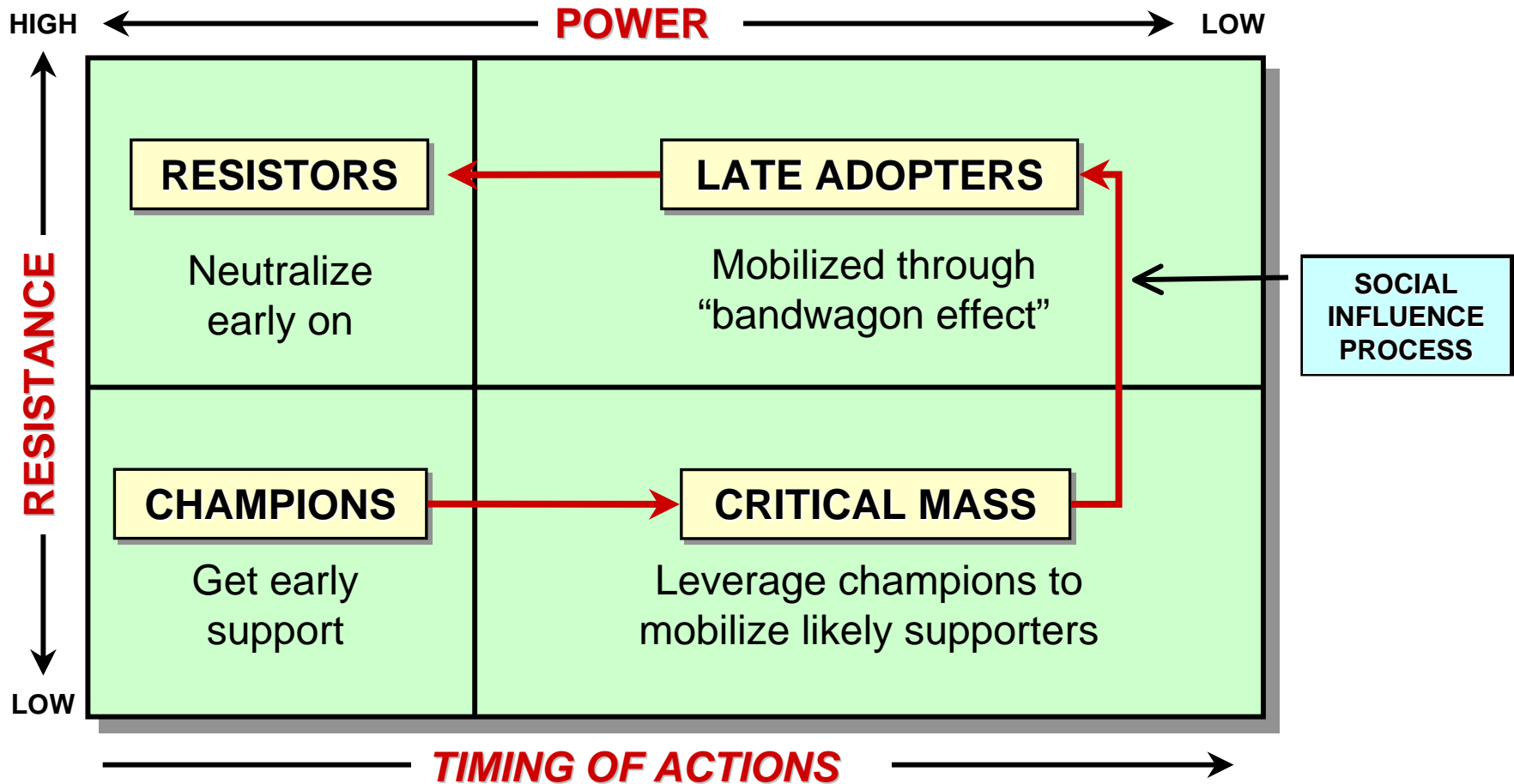
- Most important changes may meet with resistance from powerful people in the organization.
- Resistance to change originates in multiple sources, especially in lack of *will* and lack of *skill*.
- People's reactions to change processes are a function of how change is introduced and managed.
- The initiators of change typically underestimate the level of resistance, the magnitude and the effects of change, as well as the time required for a successful implementation.
- A history of success is likely to become an important obstacle for people to perceive the need for change.
- Successful implementation strategies typically take into account the level of resistance, the power, and the informal networks of the people that are key for the success of the change.

“The First 100 Days”

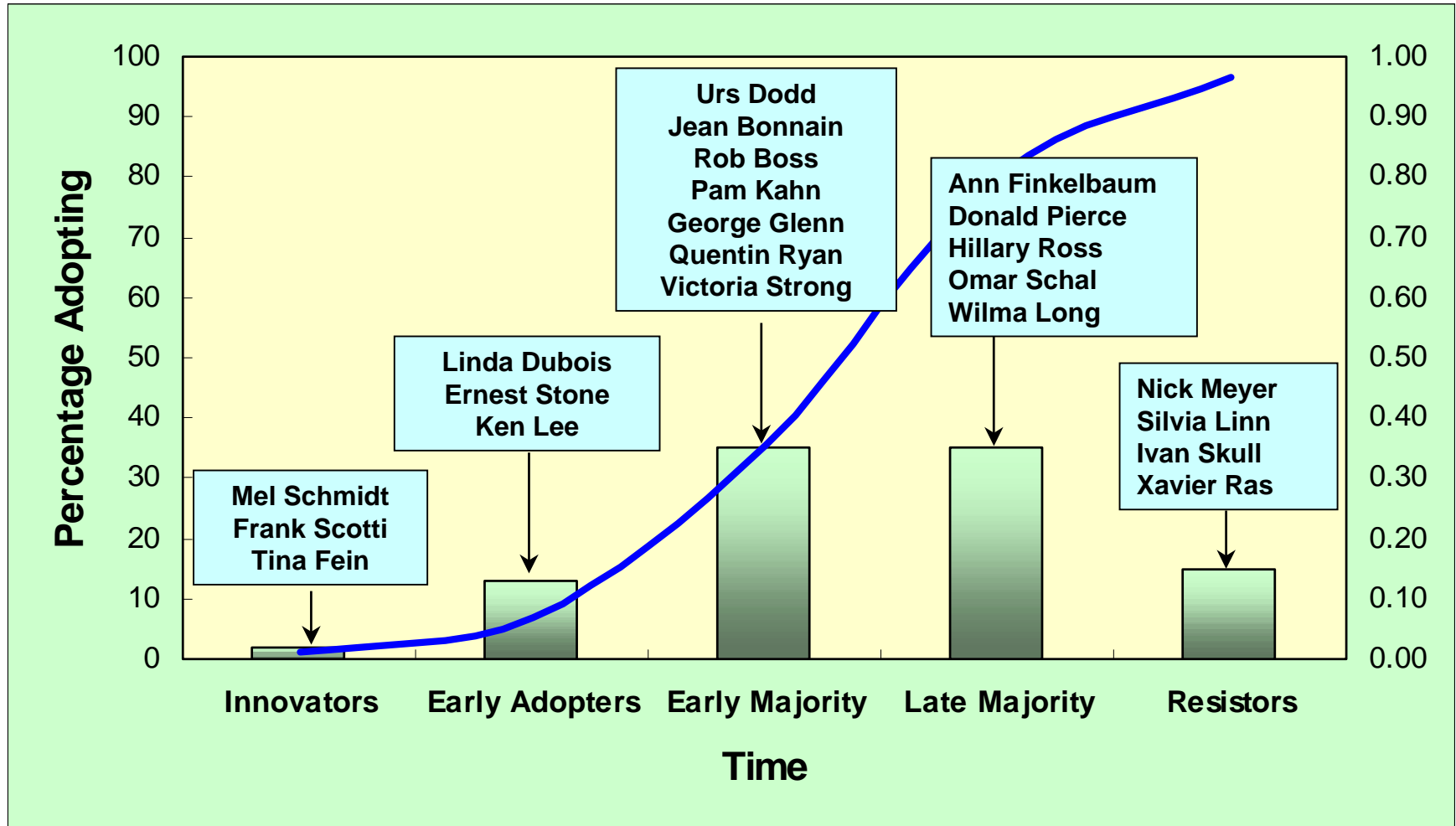
Getting to know your territory, setting the objectives, and developing the commitment to reach them.



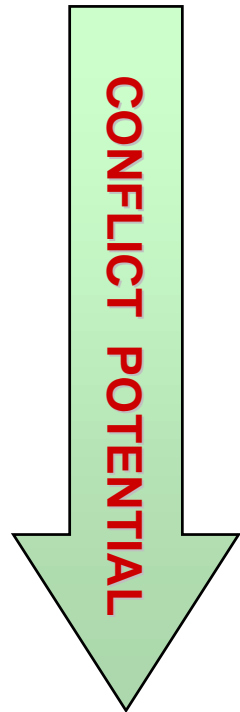
The change agent action matrix



The people's profiles in the EIS



Tactics to overcome resistance



- **Communication:** Sell your ideas.
- **Demonstration:** Show how your idea may help.
- **Training:** Help people to adapt.
- **Negotiation:** Be flexible in your short term goals.
- **Co-optation:** Bring moderate opponents on board
- **Indirect leverage:** Use third parties to neutralize recalcitrant opposition.
- **Coalition:** Build political support.

Customizing change strategies

- The effectiveness of a tactic depends on the personality and the network position of the person you want to convince.
- Tactics may work better at specific phases of the change process.
- The usefulness of a given tactic may depend upon ...
 - ◆ The magnitude of the change.
 - ◆ The level of resistance in the system.
 - ◆ The power of the person resisting the change.
 - ◆ The position of the resistor in the informal network.
- Be ready to negotiate and to compromise to move on.