Commentary

Management of Change in Global Perspective

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1.0 Introduction

Change is a must for advancement in every sphere of life. It enriches life with new experiences, feelings and satisfactions. Change is a continuous process. Change and innovation are interrelated. Innovation leads to change and change brings new ideas, new products and services, new methods and techniques. So, it becomes imperative to adapt, control and effect the change for the betterment of the society as a whole. In the present scenario of business uncertainties and rapid technological changes, the task of a manager has become very challenging to manage the changes. A manager has to deal with two types of changes i.e. reactive changes and proactive changes. Reactive changes refer to the changes in response to opportunities or problems while proactive changes stand for carefully thought-out changes in anticipation of possible or expected opportunities or problems. The question which arises first is ‘why is change needed?’ The belief ‘old is gold’ has little relevance today. Customers always prefer new products and services. Obviously, the manufacturers have to create new designs of products. Due to globalisation of economies, the business organisations have to manage the resources very effectively by adopting innovative ways. Again, global marketing is forcing the corporations to change the way of doing business. Technological advances are one of the major factors forcing the organisations to initiate and effect the changes. For instance, information and communication technology, bio technology, nano technology etc. have revolutionised the business all over the world.

2.0 Change Management

In today’s competitive era, neither an individual nor an organisation can avoid change. So, it has become indispensable for organisations, irrespective of their nature and size, to initiate and accept the change for their survival in the globalised world.

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A change may be positive or negative. A change may result in placement or displacement, promotion or demotion, convenience or inconvenience, pleasure or distress. For instance, privatisation of public sector organisations is being opposed in India. The employees resist the decision of merger or acquisition. When an organisation initiates automation in its functional areas, the workers may resist automation in fear of losing their jobs. People working in organisations oppose new technology on ground that they will have to undergo training and do more work.

A change can be defined as doing something new, innovative or other than the existing. According to Stephen Robinson “change is concerned with making things differently”. Innovative ideas when materialised and commercialised bring remarkable changes in human life. The world has become a village because of technological advances and globalisation of markets. The impact of changing business environment can be seen in social, economic, political, and cultural sectors also. In order to boost the economy and integrate it with global economy, we must accept the challenge of global changes. Terry Paulson has rightly observed that the most of the people in the organisation prefer to accept the rule that says ride the horse in the direction it is going. So do not resist the change, just accept it for your benefit.

People generally feel uncomfortable about changes. Even small changes like change in work shift or work place cause uneasiness and large changes like use of new working techniques can cause considerable stress which a manager has to deal with care. Managing change is an art of motivating, encouraging people in the organisation to accept the changes without resistance. However, it is very tough task. Generally, people resist changes due to insecure feeling. For instance, sweepers resist use of mechanical broom in fear of losing the job. Sugarcane harvesting machines are opposed by sugarcane workers on the same ground. Economic insecurity is the major cause of resistance to technological changes. Indisciplined workers cannot work in a very disciplined work culture. Senior and experienced people do not like to work under the supervision of their juniors. An honest person does not like to work with dishonest persons.

Uncertainties in business sector lead to resistance to organisational changes. Despite attractive pay offers in logistics, outsourcing etc, people stick to their old jobs in fear of displacement. ‘Hire and fire’ policy has created dissatisfaction and unrest among working fraternity. Global warming and terrorism are the most burning issues impacting deeply the whole world. Naturally, business organisations world over, are changing their business policies in accordance with the changing global business environment. In the words of Dr. P. Sambaih Management of change is the process through which change is effected.
Change Management is a systematic approach to dealing with change in case of an organisation. It involves the process of adoption of change, controlling and effecting the change. In the fast changing business environment, business organisations need planning, implementing and managing the change successfully for exploiting business opportunities and overcoming the difficulties.

2.1 Challenges of change

It is said that in the world of uncertainty, the only certainty is that you cannot escape the change in the changing world. In the competitive global market, business organisations have been confronting the challenges of rapid changes. Cut throat competition in the market of input and output is the biggest challenge before organisations because of huge number of players. Changing marketing strategies (e-marketing, global marketing, online marketing etc.), changing technology (information & communication technology, Nano-technology etc.), changing organisational structure (mergers, acquisitions etc.) and the most important changing people (perceptions, attitudes, skills etc.) are the areas wherein changes are to be adopted and effected for the benefit of the organisation.

The manufacturers, the markers and the service providers have to make changes according to the demand of the customers. In order to compete with the competitors’ products and services, it is indispensable to incorporate the changes in the product designs. In addition, environmental factors i.e. social, political, economic, cultural and legal are changing very fast deeply impacting business organisations world over. Organisational behaviour of the working force becomes unpredictable in changing environment. For instance, introduction of performance based wages system in place of time wages system may attract resistance from the workers.

2.2 Measures to reduce resistance to change

People in the organisation may respond to the change positively and accept it wholeheartedly. Some may accept the change with no option and some may resist the change by all means. In order to reduce the resistance of the people in organisation, it is necessary to create a conducive environment and provision of required resources. Change should not be forced on people. Before introducing change, they should be consulted, taken into confidence and then involved in the process of effecting change. For effective communication of change to target group, face to face communication between the manager and the affected people is very fruitful. Once they understand the need of change, they get fully involved in the process of organisational change. To have effective implementation of change, cooperative participation of target group is essential.
Focus should be on rooting out the feeling of job insecurity. The manager should prepare a strategic plan for implementation of organisational change. A renowned expert in leader management of change, J P Kotter has suggested eight steps in leading organisational change. 1. Establish a sense of urgency of initiating the change in the organisation. 2. Create an empowered group of people to lead the change. 3. Create vision and strategy to guide the change process. 4. Communicate consistently the new vision and strategic plan 5. Eliminate the barriers to change 6. Generate short term wins and recognize and reward the contributors 7. Consolidate gains and produce more change. 8. Anchor new approaches in the culture.

2.3 Role of management in ever changing business environment

Managers are supposed to play a very crucial role in integrating their organisations with new world order by initiating, adopting changes for attaining excellence at every level of activity. In the words of Shri Narayan Murthi of Infosys- “Today’s managers must keep pace with continuous changes in order to excel in productivity, quality, cost reduction, profitability coupled with customer’s satisfaction.” Late Shri Dhirubhai Ambani, founder of Ambani group of industries, aptly observed- “my commitment is to produce at the cheapest price and best quality”. The organisations should be always ready for future. It means that they should be always ready to accept the challenges by way of creating working culture and initiating innovations in all functional areas.

3.0 Conclusion

Changes are inevitable. The organisations averse to changes become outdated. Business organisations should adopt the changes for maximising the benefits to themselves as well as the employees and the society. But the change should not be forced on the people in the organisation. Enforcement, pressure may lead to resistance to change. Kurt Levin suggests that people should be motivated, encouraged to accept the changes by way of bringing positive changes in organisational behaviour.

References

