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People and process: making sense of change management

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This paper is about the ways that we seek to manage, steer, resist and make sense of change. It views change as a fluid process that may take unexpected turns. In clarifying what we mean by change and challenging linear stage models, a more dynamic perspective is advocated. A short case study is used to highlight the political aspects of change and to raise critical awareness of some of the key issues that can arise. The paper concludes with some practical guidelines arguing that it is the processual nature of change that makes it both a difficult yet fascinating area to explore...

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PEOPLE AND PROCESS: MAKING SENSE OF CHANGE MANAGEMENT

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Summary: This paper is about the ways that we seek to manage, steer, resist and make sense of change. It views change as a fluid process that may take unexpected turns. In clarifying what we mean by change and challenging linear stage models, a more dynamic perspective is advocated. A short case study is used to highlight the political aspects of change and to raise critical awareness of some of the key issues that can arise. The paper concludes with some practical guidelines arguing that it is the processual nature of change that makes it both a difficult yet fascinating area to explore...

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1   INTRODUCTION*

No organization in the twenty-first century would boast about its constancy, sameness, or status quo compared to ten years ago. Stability is interpreted more often as stagnation than steadiness, and organizations that are not in the business of change and transition are generally viewed as recalcitrant. The frightening uncertainty that traditionally accompanies major organizational change has been superseded by the frightening uncertainly now associate with staying the same.1

Change is integral to all our lives and an essential feature of work environments. In the case of business organizations, theories have developed that chart the life cycles of organizations demonstrating how certain groups or populations of companies follow certain patterns and trajectories. For example, there has been an increase in the number of low-cost airlines with the growth in demand for fast travel between cities. This growth in demand would suggest a vibrant industry and yet, external forces and events can radically change the fortunes of airlines. Critical world events often arrive unannounced and unexpected – stimulating a radical rethink or a change in the way that business is done. Some changes may be reactive to unanticipated changes in external market conditions; others may reflect a proactive strategy to reposition or change corporate operations; and yet others may be stimulated by a change in key personnel as new staff seek to make their imprint on the organization. Change, it would seem, is more complex than any simple definition might suggest and therefore it is to clarifying this concept and making sense of processes of change that is the focus of this paper.
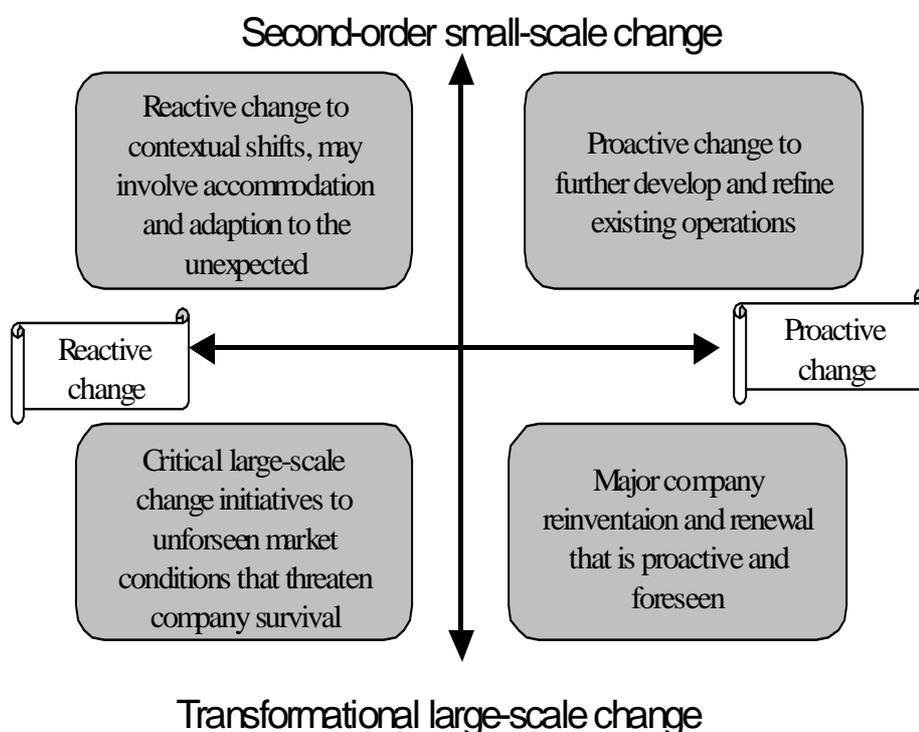
2   CHANGE AND ORGANIZATIONS

Change is endemic to all organizations operating in business markets. Although all organisations are in the process of *changing* the nature of these changes can vary enormously and so, we need a way to differentiate between the scale and scope of change experienced across different organizations, and within the same organization, over time. Evaluating the extent and depth of company change allows us to classify change from small developmental activities and routine modifications through to large-scale transformational initiatives. The former can involve improvements on current ways of doing things, of fine-tuning operations and implementing incremental changes on standard operating procedures. These changes typically work within the domain of the known, and often form an integral part of in-house monitoring and evaluation activities. Within Universities, course and programme evaluations may be used to further refine and develop curriculum design and teaching delivery methods as part of ongoing and regular operating procedures.

At the other end of the spectrum lie the more radical transformational change initiatives that are generally large-scale and strategic in nature. A company may radically rethink their core activities, markets and purpose. The change may be proactive and involve considerable planning and adjustment over a number of years or it may be in response to a sudden shift in world economies and business market activities. The growth, development and change in the telecommunications and computer industries over the last two decades provide a number of examples of radical change (and the concomitant rise and fall of

associated companies). Within the oil and gas sector, major multi-national companies like Shell and BP, are repositioning themselves as *energy* companies in a long-term strategy for corporate renewal.

Between large-scale transformational and small-scale developmental change programmes lie a raft of other change initiatives including branch and divisional restructuring, the reconfiguration of operations in the production of a given good or service, and the transition from some current state to a well-defined new state over a planned timeframe. Within these distinctions, the notion of the known and unknowable arises, especially with respect to the vulnerability and scope of the change in question. Much of the change management literature has focussed on large-scale transitions and transformational change initiatives that are referred to as 'first-order change'. The velocity and vulnerability of such change initiatives draw them to the attention of academic researchers, the media and the business community; and yet, many of these change initiatives do not succeed in practice.[2]

Whether change is reactive, in response to certain unforeseen events or a proactive decision, can all influence the nature, direction and shape of change. In combining these two continua of small-scale to large-scale change, and reactive to proactive initiatives, we can categorise four different types of change. First, reactive change initiatives that seek to accommodate and adapt to unforeseen changes in, for example, local business market conditions. Second, developmental proactive change programmes that seek to improve on current ways of doing things over a planned period of time. Third, a radical response to an unexpected world event that necessitates a major repositioning of a company. Fourth, transformational proactive change in the radical reinvention of company strategy and business operations. These four types of organizational change are illustrated in the Figure below.

Four types of organizational change

As well as the dimensions of the scale and depth of change, and whether change is reactive or proactive, we can also consider a number of other elements. For example, the essential nature and content of the change, timeframes of change, and the effects of change on employee attitudes and perceptions, are all important. It should also be noted that the temporal element of change – whether the change promoted is to occur quickly or over a longer period of time – often combines with other dimensions in shaping the process of change and the experience of change for people at work.

3   PEOPLE AND CHANGE: THE 'PROBLEM' OF RESISTANCE?

Perhaps the greatest challenge of all comes with the awareness that managing change includes managing the reactions to that change. Unfortunately, change frequently is introduced without considering its psychological effect on others in the organization – particularly those who have not been part of the decision to make the change: those who arrive on Monday only to learn 'from now on, it's all different'. Further, when reactions are taken into account, they often are lumped under 'resistance' to change, a pejorative phrase that conjures up stubbornness, obduracy, traditionalism, 'just saying no'. It seems fair to state, however, that, if the reactions to change are not anticipated - and managed – the change process will be needlessly painful and perhaps unsuccessful.[3]

Managing the human aspects of change is frequently cited as one of the most significant factors to the 'success' or 'failure' of major change initiatives.[4] As we shall see, the importance of communication, employee involvement and ensuring that behavioural change is rooted within the culture of an organization has a longstanding history in the field of Organizational

Development (OD). Democratic and participative strategies are viewed as ways to ensure that employees buy into and commit to change and yet, Kotter[5] maintains that more company transformations 'fail' than 'succeed'. Why is this?

In a context where this is continual pressure to change, it is as important to know when not to change as it is to know when to change. It is ironic that given the number of failed change initiatives that those that question the need for change are often cast as the villains of the piece, 'unable' to adapt to changing conditions. The time, energy, resources and money that can be wasted through persisting with an ill thought out change, even in the face of strong employee resistance and articulate employee critiques, perhaps goes some way to explain the high level of failure among company transformation efforts. Although most change management writers recognize that employee resistance is to be expected in any major company change programme,[6] employee resistance should not simply be treated as an obstacle to be overcome, but as a valuable source of knowledge and critique of change programmes. As Collins notes:

> Workers who 'resist' change tend to be cast as lacking the psychological make-up to deal with change, and so, are said to be weak and fearful of change, whereas, those who support or manage change are regarded as 'go-ahead' chaps who have the 'right-stuff' for career success.[7]

3.1 Why do people resist change?

One of the main reasons why people resist change is that the proposed change may break the continuity of a working environment and create a climate of uncertainty and ambiguity. Following company change initiatives, it is not uncommon for old established relationships to be redefined, for familiar structures to be redesigned and modified, and for traditional methods of work to be replaced and/or modified. Understandably, some employees may seek to maintain the status quo and resist these types of changes. Typically, resistance has been identified as resulting from one, or a combination, of the following factors:

- substantive change in job (change in skill requirements);
- reduction in economic security or job displacement (threat to employment);
- psychological threats (whether perceived or actual);
- disruption of social arrangements (new work arrangements); and
- lowering of status (redefinition of authority relationships).

A substantive change in the nature of work and the skills required to perform certain functions is likely to engender distrust and resistance, particularly in situations where employees are not informed of the change prior to implementation. Even if these threats reflect an individual's perception of change rather than an actual threat, employee resistance to change is likely to result. Bedeian suggests that parochial self-interest, misunderstanding and lack of trust, are common causes of resistance to organizational change.[8] Paton and McCalman argue that effective communication is often the key to overcoming the 'problem' of change resistance and they conclude that: 'the effective change agent must be capable of orchestrating events; socializing within the network of stakeholders; and managing the communication process.'[9]

4 MANAGING THE COMMUNICATION PROCESS

Communication is generally recognized as one of the most important factors that influence change outcomes.[10] For example, Hayes (2007) argues that the features of communication networks and the effects of interpersonal relations can have a major influence on the process and outcomes of organizational change.[11] Particular attention is given to the notion of 'effective communication' that informs employees, enables feedback and promotes wide scale consultation. Many writers in this area assume that such action will overcome resistance to change (resistance is often seen to stem from natural anxiety, ignorance and misunderstanding) by stimulating interest and commitment and thereby reducing opposition.

Hersey and Blanchard argue that communication is a key process skill required of change agents to get others to understand and accept change.[12] Drawing on the work of Bennis,[13] Carnall views this as involving an ability to communicate clear objectives, to be consistent and to ensure that others understand and are aware of the reasons and intentions of change.[14] These three competencies Carnell labels as: the management of attention, the management of trust, and the management of meaning. Paton and McCalman also identify a number of competencies or guidelines on effective communication and change. These are as follows:

- To customise the message to ensure that it is set at an appropriate level to be understood by the intended audience.
- To set the tone of the message so it does not offend or seem patronising.
- To recognise that communication is a two-way process and that feedback is essential.
- To do as you say (to practise what you preach).
- To use the appropriate medium to ensure penetration, so that the message reaches those it is intended to reach in the time required.[9]

Within the popular management literature, John Kotter's eight-stage model on how to successfully manage change emphasises the importance of communication.[5] For Kotter communicating the vision is viewed as a critical stage in leading change. He argues that change leaders should communicate their vision in many different forums over and over again if they wish to develop an effective implementation strategy. He notes that:

Communication comes in both words and deeds. The latter is generally the most powerful form. Nothing undermines change more than behavior by important individuals that is inconsistent with the verbal communication. And yet this happens all the time, even in some well-regarded companies.[15]

On the flip side, he claims that a major reason why change initiatives fail is because of ineffective communication. This takes three main forms:

1. Communication is limited to only a few memos.
2. The head of the company makes many speeches but everybody else remains silent.
3. There is effort in communicating the vision but the behaviour of some highly visible individuals conflicts with the message communicated, and employee cynicism results.

4.1 Employee resistance and the politics of communication

For many commentators, resistance and conflict is seen to result from poor communication, the spreading of rumours and misinformation, and an inability to allay the natural fears and anxieties of employees awaiting the unknown.[9] These writers contend that by providing clear communication through appropriate mediums at a tone and pitch suitable to the audience, and in practising what is preached, a programme of effective communication in the 'successful' management of change can be put into place.[14] In contrast Buchanan and Badham[16] question this apolitical approach and argue that change agents simply use communication as another political tool in the tough contact sport of 'winning the turf game'. The politics of change is viewed as a part of organizational life[17] in which power plays and the management of meaning is critical to the way others view and experience change.[18]

Under this more critical perspective, communication and change is part of a political process in steering an organization from one configuration to another. To paraphrase Pfeffer, the use of power is about changing the course of events in getting people to change in ways that they would otherwise not do.[19] Politics as 'power in action'[20] is thereby evident within communication processes that seek to influence the views and behaviours of others, especially in change agent engagement, or what Buchanan and Badham[16] refer to as 'power-assisted steering'. Whichever stance one takes, the experience of communicating a change strategy in a context where change is generally viewed as important and necessary to company survival is going to be markedly different to a context where the strategy is highly contested and questioned.

5 A PROCESSUAL PERSPECTIVE FOR UNDERSTANDING CHANGE

The processual framework developed in this section is based on the assumption that companies continuously move in and out of many different states, often concurrently, during the history of one or a number of organizational change initiatives[21]. Although for analytical purposes, it may prove useful to identify and group a number of tasks and decision-making activities, such as, the search and assessment of options or implementation, these should not be treated as representing a series of sequential stages in the process of change (as with conventional stage models). The approach taken here is that organizations undergoing change comprise a number of dynamic states that interlock and overlap, and that processes associated with change should be analysed 'as-they-happen' so that their emergent character can be understood within the context in which they take place.

Accessibility and the practical dimension to understanding change are elements that have informed the processual approach developed by Dawson.[22] Accessibility is sought through the presentation of readable case analyses of change from longitudinal fieldwork on company transition. Companies such as, Hewlett Packard, General Motors, Pirelli Cables, Faulding, Boeing and Shell are presented in a narrative form that includes original data and quotations from interview transcripts that allows the reader to not only follow the story of change but also, to form their own views and interpretations from their reading of primary data.[23] The material has also been used to identify lessons on change in setting forward a series of practical guidelines, as Dawson explains:

The guidelines presented are located within and derive from a processual framework which emphasizes the importance of ongoing timeframes and the interconnected dynamics between the substance, context and politics of change. Unlike contingency models, this processual perspective does not advocate or identify a single emergent homogenous structure which can be prescribed as an appropriate design for a 'changed' organization. Change is viewed as an ongoing process which is both progressive and regressive, is planned and unplanned, and incorporates intended and unintended innovations from the initial conception of the need to change through to the emergence of new work arrangements. Furthermore, unlike situational (or contingency) approaches which (whilst recognizing the importance of context) tend to use snapshot models and assume that context is singular and unproblematic, the processual perspective sensitizes the researcher and practitioner to the importance of the interplay between organizational governance and politics, and the history and culture of organizations and change programmes. For example, processual research is able to identify competing histories of change and show how organizational stories may be rewritten to lend support to the claims of differing vested interest groups and thereby, reflect the political agendas of powerful decision-makers rather than representing some 'objective' reconstruction of past events.24

The approach also advocates that the different views and experiences of individuals and groups at all levels within organizations need to be captured and analysed. The framework is able to highlight discrepancy and conflicting views between and within individuals and groups occupying different hierarchical positions. The experiences of shop-floor employees are often markedly different from the senior executive group, and as such, competing stories and accounts of change are not uncommon.22 As Dawson indicates:

In the context of change, clarifying the status of these various statements is often a central analytical task in making sense of interview data. Discrepancy between the views of different groups is not problematic, but part of the rich data which is accessible through processual research. Unlike studies that seek to construct a single account of change, the co-existence of competing histories and views can be accommodated under processual research. In the same automotive component company, another senior management member later recast the charismatic champion of change as a dishonest and underhand

management fiend after his replacement. Thus, the longitudinal data was able to capture this movement from hero to villain, and make sense of the political motives of rewriting company history to fit current commercial objectives and the required public performance of the senior management group.23

The processual perspective proposed by Dawson23 aims to make complex change data accessible to the reader, to use the material to identify practical lessons from the research, and to ensure that the views and voices of those who experience change are heard from the shop-floor employee through to middle management and the chief executive officer of an organization. As such, the framework seeks to enable a critical analysis of change that captures competing views, conflicting priorities and the process by which certain accounts of change become legitimised.

5.1   Factors shaping the process of change

The processual perspective aims to examine change as-it-happens and is concerned with three groups of determinants that shape this process, namely: the politics, substance and context of change (see Figure 2). The politics of change is taken to refer to the political activity of consultation, negotiation, conflict and resistance, which occurs at various levels within and outside an organization during the process of managing change. Examples of political activity outside of an organization would be governmental pressure, competitor alliances or the influence of overseas divisions of large corporations. Internal political activity can be in the form of shop floor negotiations between trade union representatives and management, between consultants (working within the organization) and various organizational groups, and between and within managerial, supervisory and operative personnel. These individuals or groups can influence decision-making and the setting of agendas at critical junctures during the process of organizational change.

The context of change refers to factors that reside within the organization as well as those within the wider business market environment. External contextual factors are taken to include: changes in competitors' strategies; level of international competition; government legislation; changing social expectations; technological innovations; and changes in the level of business activity. Whereas, internal contextual factors are taken to include Leavitt's25 fourfold classification of human resources, administrative structures, technology, and product or service, as well as an additional category labelled the history and culture of an organization. This latter category is used to incorporate both an historical perspective that can take account of multiple histories of the context in which change is taking place, and an understanding of organizational culture. By so doing, the framework is able to accommodate the existence of a number of competing change histories (these organizational histories may be further refined, replaced and developed over time) and recognises that the dominant or 'official version' of change may often reflect the political positioning of certain key individuals or groups within an organization, rather than serving as a true representation of the actual process of change (these change stories may in turn shape, constrain and promote the direction and content of future change programmes).

The substance of change (what Pettigrew refers to as content) is seen to consist of a number of interlocking factors. First, the scale and scope of change, which may range along a continuum from small-scale discrete change to a more 'radical' large-scale transformation. A distinction can also be made between change at the level of the unit, plant/branch, division and corporation. Second, the defining characteristics of the change programme: which refers both to the labels attached to change projects and the actual content of the change in question. In other words, content is never assumed on the basis of the label attached to a particular change programme. Third, the timeframe of change: at it simplest this refers to the period over which change occurs from the conception of the need to change through to routine operation. It is also concerned with the starting and stopping of change, and the way certain tasks and decision-making activities may overlap and interlock. It is also concerned with the way some programmes evolve incrementally over a number of years only to be followed by a fairly rapid and specified period of implementation; whilst others, may be triggered by a sudden shift in business market activity or unexpected world events. Fourth, the perceived centrality of the change: this refers to whether or not change is seen to be critical to the survival of the organization.
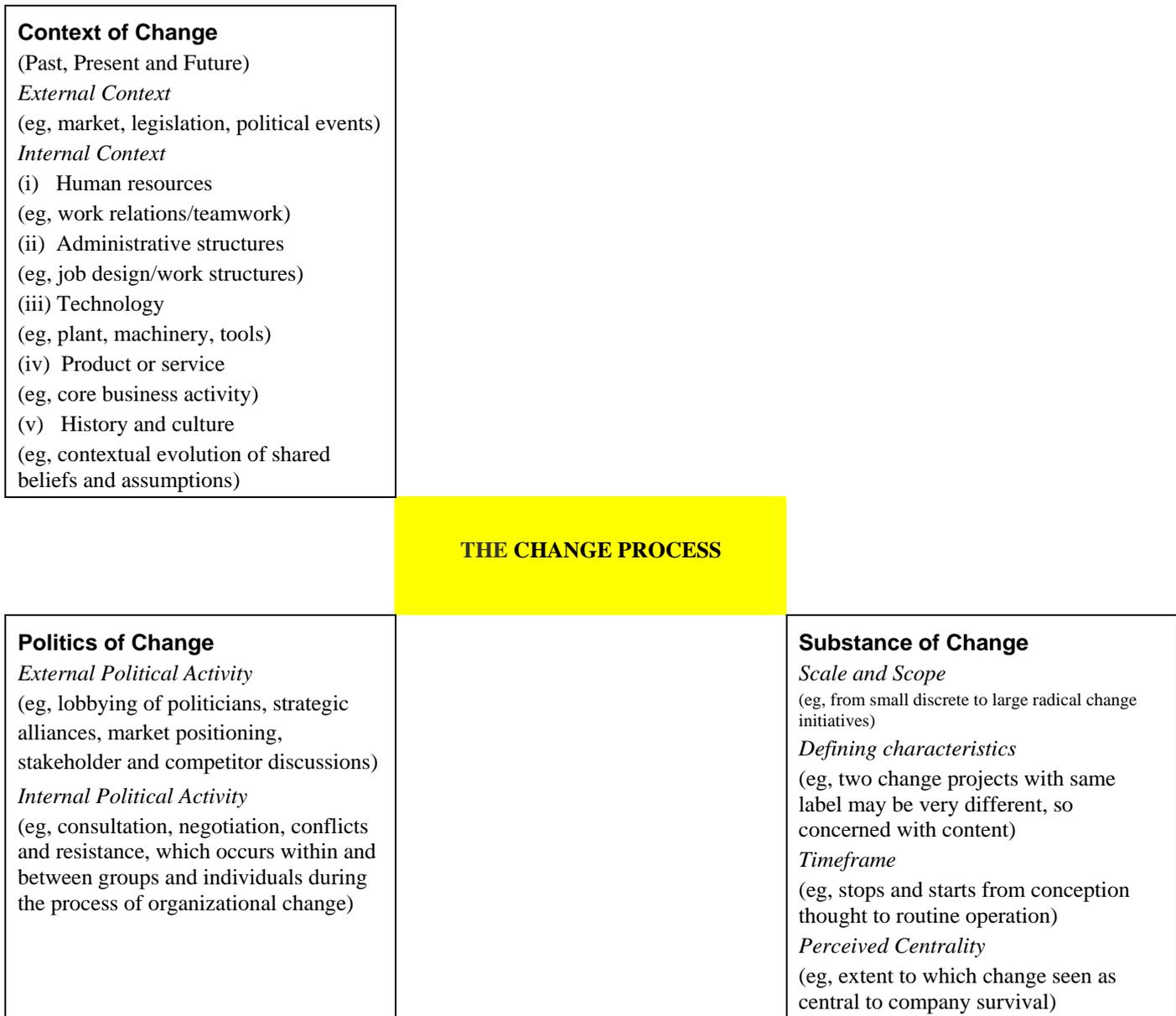
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Context of Change

(Past, Present and Future)

External Context

(eg, market, legislation, political events)

Internal Context

(i)   Human resources

(eg, work relations/teamwork)

(ii) Administrative structures

(eg, job design/work structures)

(iii) Technology

(eg, plant, machinery, tools)

(iv) Product or service

(eg, core business activity)

(v)   History and culture

(eg, contextual evolution of shared beliefs and assumptions)

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THE CHANGE PROCESS

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Politics of Change

External Political Activity

(eg, lobbying of politicians, strategic alliances, market positioning, stakeholder and competitor discussions)

Internal Political Activity

(eg, consultation, negotiation, conflicts and resistance, which occurs within and between groups and individuals during the process of organizational change)

</td><td>

Substance of Change

Scale and Scope

(eg, from small discrete to large radical change initiatives)

Defining characteristics

(eg, two change projects with same label may be very different, so concerned with content)

Timeframe

(eg, stops and starts from conception thought to routine operation)

Perceived Centrality

(eg, extent to which change seen as central to company survival)

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Figure 2: Factors Shaping the Process of Organizational Change

Finally, it should be noted that the substance of change is not static but is itself open to change. In other words, the substance of change both influences and is influenced by contextual and political elements. For example, it is not uncommon for definitional confusion to surround the introduction of new management techniques and for the content of change to be redefined during the process of implementation. Moreover, knowledge of the substance of change and clarification of what the change means for a particular organization can in itself become a political process, influenced by external contextual views and the setting of internal agendas around the management of change. In this sense, there is a continual interplay between these three groups of determinants during the ongoing process of change.

5.2   Studying change over time: from present to future state

The temporal dimension of this framework recognises that for analytical purposes it may prove useful to categorise data collecting during the early periods of change, during the process of moving from a present state to a future state, and at some stage after the changes have been introduced and day-to-day activities are approached in more routine ways. The three general timeframes advocated comprise:

- The initial conception of a need to change.
- The process of organizational change.
- Operation of new work practices and procedures.

The initial awareness of a need to change may either be in response to external or internal pressures for change (reactive), or through a belief in the need for change to meet future competitive demands (proactive). The latter has stimulated a wealth of research into the organizational adoption of management fads[26] promising a painless solution to raising international competitiveness.[27] The increased complexity and uncertainty of international business markets has led some organizations to base change on imitation (which organizations are successful and what changes have they introduced), rather than on any conception of a need to adopt untried technologies or techniques.[28] This initial conception of a need to change can be influenced by factors residing within the organization such as operational inefficiencies or employee disputes, or by factors

which emanate from outside of an organization - for example, through business press and media reports on the success of other organizations and the direct or indirect promotion of various management fads and fashions.29

Once a need for change has been identified, then the complex non-linear and 'black box' process of organizational change commences. This period will comprise a number of different tasks, activities and decisions for individuals and groups both within and outside of the organization. Once a decision to change has been made, senior management usually decide upon the type of change they wish to introduce. Their own understanding of the business market, what competitors are doing, and what is generally available often influences their choice of change. This period of changing however, is often marked by stops and starts, revisions to set plans and adjustments unexpected and unforeseen events. As Alan concludes:

As successive difficulties arose, the organization evaluated and reappraised the progress to date, assessed new options and implemented new strategies to overcome resistance and implement organizational change. This cycle of experimentation and revision demonstrates that the pathway to organizational change cannot be represented by a straight line or roman road but rather, is a complex, temporal and iterative process. The outcomes of and the barriers to change are never fully known at the outset. The change process will always involve the unanticipated.30

The final general timeframe (operation of new work practices and procedures) is taken to refer to the period when, following the implementation of change, new organizational arrangements and systems of operation begin to emerge. During this period, a number of novel developments or contingencies may arise which may compromise the change outcomes. For example, unanticipated technical or social problems may undermine the usefulness of the system in its replacement of traditional methods. As a result, this may cause conflict and confusion among staff and management, and threaten the establishment of new working relationships. Thus, the early stages of operating under new systems may be characterised by uncertainty, conflict and misunderstanding among employees, who may variously adapt, modify, reassert and/or redefine their positions under new operating procedures and working relationships set-up during the implementation of change. This is also the period in which a relatively stabilized system of operation may emerge comprising new patterns of relationships and new forms of working practices. It is during this timeframe, therefore, that the outcomes of change can be examined and contrasted with the operating system prior to change. Although in reality it is unrealistic to talk of an 'endpoint' of change (as the process continues ad infinitum) it does make sense to talk of the 'effects' of a particular type of change. In the case of large-scale or radical change initiatives, it is possible to identify a period after implementation when the daily work routines of employees become part of the operating system (which is no longer regarded as 'new'). Whilst the ongoing process of change will continue, this is the period that can be used to identify the outcomes of change on organizational structures and traditional operating practices.

These three general timeframes provide a useful framework from which to make sense of change. Although every major change programme will have an organizationally defined beginning, middle, and end, in practice it is not only difficult to identify the start and completion of change programmes (for example, there is often more than one organizational history of change and these may be reconstructed over time) but also, to explain the complex pathways and routes to establishing new operational processes. Therefore, in examining the complex and 'black box' process of organizational change there are considerable returns to be gained from developing a framework for data analysis. It is argued here that a useful way of tackling the problem of analysing complex change data is to construct data categories either around themes or around the various activities and tasks associated with change. For example, data categories for the activities associated with the establishment of new organizational arrangements may comprise: system selection, identification of type of change, implementation, preparation and planning, and search and assessment. These tasks are unlikely to occur in a tidy linear fashion throughout the process of change, but will normally overlap, occur simultaneously, stop and start, and be part of the initial and later phases of major change programmes. Nevertheless, they are useful for locating and sorting data on change that might otherwise be too complex to deal with systematically. Although at a more general level there can be no definitive list of appropriate data categories, as these should be modified or revised to fit particular case examples and/or the characteristics of different change programmes, task-oriented or thematic categories can provide a useful starting point for locating and analysing change data.

6 MACHIAVELLIAN MANAGEMENT AND SHOP FLOOR RESISTANCE: A CASE STUDY OF CHANGE

In their book Power, Politics and Organizational Change, Buchanan and Badham point out that the politically skilled change agent is not a Machiavellian type manager but rather, a political entrepreneur. These types of manager have good diagnostic and judgemental skills; they are creative, self-critical and able to improvise.16 They do not follow simple recipes for success, as they are aware of the difficult and political nature of change management. As Buchanan and Badham state the: 'political entrepreneur adopts a creative, committed, reflective, risk-taking approach, balancing conventional methods with political tactics when the circumstances render this necessary, appropriate, and defensible'.31 In the case that follows, management took a hard line to shop floor resistance to change whilst at the same time making sure that all the key stakeholders, including the trade unions, were generally supportive of the strategy for change. They exhibit political awareness and use what Buchanan and Badham refer to as 'power-assisted steering' in driving the change in a preferred direction. 16 However, whether they can more usefully be characterised as Machiavellian managers or political entrepreneurs remains open to debate.

6.1   Background to the case study

The case is based on research into the uptake of cellular manufacture in a washing machine factory in Australia. The factory was divided into two sections: a machine shop area where the gearbox/transmission for the washing machines are made, and an assembly area where all the components for the washing machine are put together. Since 1998, over a million dollars has been spent on technology (such as, computer numerical control equipment), which has led to a reduction in the labour requirement for manufacturing operations. Electronic gauging has also been installed which enables the quality manager to maintain electronic surveillance on components and to monitor whether any parts move outside of the prescribed quality parameters.

Taken as a whole, changes at the plant have involved: the uptake of cellular teamwork arrangements; heavy investment in new technology which has facilitated greater statistical process control of operations; an overall reduction in the number of employees required to operate the plant; and a reduction in shifts with the closure of night operations. In the process of implementing these changes, management have developed and adapted strategies to accommodate potential problems and to overcome factional resistance to their longer-term restructuring objectives. Although space does not allow detail of the case in full, the short summary that follows does shed some light on the political and people aspects of change.

6.2   Shedding night shift operations: setting the scene for change

Management at the plant were aware that there was something amiss with operating practices on the night shift (due to the high incidence of machine breakdowns), but they were uncertain about the cause of these problems. For them, cellular manufacture provided a useful opportunity to reassess night shift operations. At this stage, they did not realise that night shift operators had modified their work patterns to enable some 'sleep time' prior to the arrival of the morning shift. This behaviour became part of the custom and practice of night shift operations and hence, there was considerable group pressure for new members to conform to this method of organizing work which, as one employee recounted: 'made life easier for all'. As a consequence of working the machines as hard as possible for the first part of the shift, there was a higher incidence of machine breakdown on the night shift than at any other time. Aware that something was going on, management decided to install a system to monitor machine cycle times. As a manager recalled:

When we looked at it there was a question of what the night shift were actually doing. They were making the numbers but things just didn't really gel. So we actually put read-outs on the main circuit board so that every time there's a machine cycle of course you get a little blip, so you can actually count the cycles, how many they do and all that sort of thing. They were actually manipulating the controller and speeding up the cycle - we were having a lot of maintenance on the machines and that was one of the reasons, they were running them too hard. We were having a lot of breakdowns on the circuit boards and things. They were actually speeding up the cycle that fast and then there were these long gaps from about two o'clock to about five o'clock. There was this long gap of nothing and yet the next day they had the numbers there. You know, how can they do that? So we checked it for a while and there was a definite pattern. The same time every night nothing was happening and the next day they had the product.

Although management remained in the dark for a number of years, other operators were well aware that their night shift colleagues were working machines beyond their limit in order to meet their targets as fast as possible so that they could create a 'sleep-space' during the shift. By investigating the problems on the night shift (in terms of machine breakdowns and productivity), the local management team became aware of the regular stops in production and decided to pursue the matter further. From their perspective, an absence of supervision and management control on the night shift was the probable cause of these difficulties and so they decided to find out for themselves what was going on:

We came in one night about midnight, sat up in the office and did a few things. The machine shop was working and then about two o'clock there was no one. You know, we left it for a while, wandered down, no one around. We went into the lunchroom and we had to wake them up. So yeah, we don't have a night shift anymore. Their first response was 'well we're just having a break' they didn't know that we'd been watching them for the whole shift. And this wasn't a one off they'd been doing it for years. They had makeshift beds and little alarm clocks to make sure they'd wake up before the day-shift people came in and all that sort of thing. The amazing thing about it was, because we were here, when people from day shift started rocking-in they think: 'gee, what are they doing here at this hour', you know. And when word spreads around what has happened, and these people are in the office and they're on the mat, staring down the barrel. The response from the people out there in the machine shop and that: 'you beauty, about time they did something about that. About time you fixed those guys doing that.' And you say, well, why didn't you tell me? Why didn't you say? 'Ah no, couldn't do that.' They wouldn't tell the boss and dob them in, but they were glad to see that someone had finally done something about these people bludging on night shift…..Yeah, they left the company. (Manager)

This precursor to the introduction of cellular manufacture provided a clear signal to employees about the position of management and how they were not going to tolerate 'inappropriate' behaviour. Their strategic intention centred on improving operational efficiency through the restructuring of workplace arrangements. For many on the night shift, peer group pressure and the local night shift culture did not allow them to do anything other than adopt standard practice. In this example, work routines and expectations had become reinforced over time through the development of group values and beliefs which support certain behaviours and prevents or discourages others. These 'controls' emerge and are developed within groups and are not simply a reflection of the systems developed and implemented in the design of work but, rather, reflect the mutual shaping of structure and action within the context of a working environment. Given that night-shift employees had little choice but to adopt common practices, it could be argued that many of these 'victims' of change were treated harshly in not being given a second chance under different contextual conditions. Interestingly, day-shift operators showed little concern over this outcome (viewing the night shift as an easy option which had been going on for too many years) and generally supported the hard-line stance taken by management. Local management also commented on the positive feedback they received from employees working on the day shift. Paradoxically, through disciplining the non-compliance of night shift employees management were able to raise morale among other members of the workforce. This not only highlights how different groups of employees may respond differently to management strategy but, also, the importance of context in making sense of employee attitudes and behaviour. Furthermore, this hard-line approach by management was used to overcome factions of resistance that emerged during the transition to cellular manufacture. In this case however, management combined their approach with the development of a programme for employee involvement which had the support and backing of the union. In so doing, the events reported below illustrate how management were able to dislodge key individuals in militant shop floor areas and overcome employee resistance to change.

6.3   Management strategy and resistance to change

During the 1990s, senior management raised their concern over the operational performance of the factory and the factory manager set about the task of planning for change. There had been a barrage of programmes from a range of different consultants but there had been no lasting change in productivity. From the perspective of the factory manager, there was clearly a need to change methods of work in order to improve operational efficiency and remain competitive. One area in which production problems were most in evidence was in the transmission or gearbox section (the machine shop area). About 90 per cent of the work in the machine shop is for components for the gearboxes. As a long-standing and comparatively autonomous unit of operation, the machine shop had developed an independent culture based on the trade-skills of employees. Under the batch production set-up a lot of work-in-progress was generated and the operational efficiency of the shop was called into question. Plant management decided to have a look at going from a batch production set-up to a cellular manufacturing arrangement. With the appointment of a new graduate engineer, a computer-based package was purchased which would simulate the effects of changing to teamwork arrangements: In using the software they came up with the design for a cellular-based system which would reduce a lot of the non-value-added work and reduce a lot of the work-in-progress. In pursuing a strategy of employee involvement, all key stakeholders were invited to get involved with the detailed design and a pilot was set up to prove that the change to cellular manufacture was both possible and commercially viable. In setting up a pilot, volunteers were used who turned out to be not only willing participants of change but strong advocates of the benefits of this new form of work organization. However, in the case of the machine shop (which was located in the middle of the plant with 37 people), there was open hostility towards attempts to involve them in the process and it is in this area that considerable conflict and resistance occurred.

In an attempt to overcome this problem, the local management team put forward the layout and tried to make suggested improvements into a competition. They told employees that the group which came up with the best suggestion would be rewarded with something fairly significant. However, again the only suggestions came from the supervisor. Consequently, the cellular redesign of work arrangements within the machine shop was finalised without the involvement of employees. Once the design had been finalised the process of implementation began. In bringing about these changes, employee concerns were raised and the change strategies of management were questioned. However, management had already negotiated an enterprise agreement with the union stating that employees would be awarded pay increases on condition that they supported the introduction of new techniques (best practice management and learn manufacturing principles) which would raise productivity. Within the agreement, management were required to involve employees in a consultation process prior to implementing change. In the pre-change meetings employees were not unduly concerned, it was only when the consequences of change became clear that workers started to object. Tensions between management and employees resulted in open conflict and the union was approached and asked to support the position of the employees. Unexpectedly (from an employee perspective), the union blamed the employees for not taking a more active part in the consultation process and suggested that they should put any personal antagonisms to one side and get involved in steering the change process. But in practice, it was largely management who were politically active in steering the programme of change and overcoming factions of employee resistance. As the factory manager explained:

Basically, the employees went to the unions several times, but when the union responded we answered their questions....You know, the enterprise agreement - which I was a negotiating member of - shows that you've agreed to a pay increase based on productivity improvements and the philosophies of lean manufacturing et cetera et cetera. And I deliberately used broad terms in our enterprise agreement - which is the legal replacement for the award in the area stated - so we used broad terms like world best practice and lean manufacturing principles and practices. All I had to do then was verify that they were best practice and part of lean manufacturing and they had to comply. The other thing which they came back with was that they were saying that they weren't consulted enough with some of the changes....The union went back to them and said, 'hey you guys you better be careful, part of the enterprise agreement is also to work together on the consultative process and it's not all one-sided, you guys have got to be part of that as well'. From that point on there was a hell of a lot more involvement from the employee side.

In the process of gaining trade union support and in developing a policy that encouraged employee involvement, local management attempted to steer the change process in a direction that circumvented or undermined barriers to their longer-term objectives. Within this political process, the securing of support from other powerful groups in developing networks and setting up agreements was central to their approach. Moreover, due to the factional nature of resistance, there were always some groups who supported the decision by local management and in so doing, provided greater 'room to manoeuvre' in the political process of managing change. However, even after the changes had been implemented within the machine shop the tension between local management and a small group of employees continued. As the factory manager explained, there were different islands or factions of resistance that were difficult to break down:

There were factions. It is interesting actually, there were factions. We had a barbecue for the success of the changes and one faction warned the others that if they attended the barbecue that they would be black-banned and the faction were the outspoken guys. There was probably about 4 or 5 guys in the whole group that was forcing the others not to participate. What we did eventually - unfortunately for those people - is that we earmarked who they were and in the downsizing we re-deployed them into quite low skilled jobs like assembly. We left their salaries the same, we never changed them, but we put them into fairly demeaning type jobs like putting screws in washing machines and then they were forever, after that, asking to come back into the machine shop. Yeah, so there is a way of handling this.

This case provides an example of a political approach to change management (whether in the form Machiavellian management or political entrepreneurship). The findings highlight how the local management team carefully modified and adjusted strategies to ensure they achieved the outcomes they desired. They were able to divide different groups and through gaining the support of for example, day shift employees and the union, they were not only able to achieve their objectives, but they were also praised by others for taking such a firm hand in bringing about change. Interestingly, whilst participation was taken

to be central in planning for change, management viewed this planning as more important than the plan. Clearly there are questions raised by this case concerning the degree to which employees and their union were manipulated through a series of clever political manoeuvres that serviced the aims of management and paid little real attention to the needs of employees. Participation was more about winning over employees to a management viewpoint rather than listening and accommodating real shop floor concerns. This lip service participation was taking place within a context where management were making sure that they documented their attempts to involve employees so that there could be no recourse to union support at a later date. As it turned out, when employees sought support from their union they were informed that they had been acting outside of a pre-negotiated agreement. Management had carefully planned their position and had successfully manipulated other significant parties to secure the objectives they sought. Although the company must remain anonymous, it provides a clear illustration of some of the more political sides to change management. The case demonstrates the importance of history and culture in shaping employee behaviour and how the use of electronic surveillance techniques can be used to identify and point the finger at 'inappropriate' employee operating practices that might otherwise remain hidden. Management's discovery of these operating practices provided then with a justification for closing down the night shift which simultaneously reduced the number of staff and enabled an overall increase in productivity. The extent to which this may have always been an intention of management remains open to speculation, but it certainly provided them with an opportunity to bring about a change that might have otherwise proved difficult.

7   PRACTICAL GUIDELINES ON MANAGINGCHANGE

In this final section, a number of practical guidelines are outlined from over twenty-five years of research into the process of organizational change. Studies in companies, such as, Hewlett Packard, General Motors, Shell, Pirelli Cables and the Australian Services Union have been used to inform these guidelines that are based on a processual perspective for making sense of change.[21] [22] [24] In Understanding Organizational Change[23] ten lessons were listed, namely:

- That there are no universal prescriptions on how best to manage change nor are there simple recipes to competitive success.
- Change strategies should be sensitive and adaptable to the shifting character of change, the context in which change takes place, and the views and reactions of employee groups and key political players.
- Major change takes time, requiring persistence, planning, adaptation and improvisation.
- Individuals and groups will experience change differently and their expectations and views of change are likely to vary over time
- Organizations should learn from all experiences of change and not simply focus on stories of 'success'.
- Employees should be trained in new techniques and procedures when needed and as required.
- Employee communication should be ongoing and consistent.
- Recipe approaches to change that promote well-defined programmes that support unitary notions of culture and context are ultimately misplaced.
- Political process is central to change as a key shaper of the speed, direction and outcomes of change.
- Change is a process and not an event.[32]

In identifying five key guidelines on managing organizational change, the ability to go beyond conventional thinking, to listen to the views of dissenting individuals and groups, and to recognise that good ideas do not reside in the heads of senior management, is perhaps a good starting point. Too often the so-called 'practical' approach to change is managerialist and conservative in its endorsement of rational economic models. Critical reflection is more often associated with theory development than practical considerations and yet this separation between theory and practice is a false one. As Kurt Lewin so aptly put it 'there is nothing so practical as a good theory'.[33]

A second guideline is not to underestimate the task of social and behavioural change. Although the planning of technical configurations are important and the procedures and timing of training, implementation and uptake are key aspects, it is more generally the human and behavioural contingencies rather than technical problems that derail change initiatives. To put it another way, structural or technical change without behaviour change ultimately results in a no-change scenario.

A third key consideration centres on preparation and planning. Finding the balance between rushing a new initiative or embarking on a change programme with too little planning and paying too much attention to detailed preparation (that may limit choice and flexibility), is not always easy to judge. If large amounts of effort are put into the planning process it is important to ensure that the plans themselves do not become the focus of attention. However, when too little time is given to planning considerations change agents often find themselves caught up in constant fire fighting and crisis management, rather than with the actual management of change.

Fourth, change for change sake is generally of no value and is only likely to generate employee discontent. Companies need to be aware when not to engage with a particular change initiative as well as when change is important. A lot of time, energy and money can be spent on developing and implementing programmes of change that are neither necessary nor helpful to the strategic positioning of a company. Change initiatives that are viewed by employees as unnecessary (a white elephant) can generate employee cynicism and promote growing employee weariness to even the thought of future change initiatives. Change fatigue among employees is also a growing issue faced by many organizations.

The fifth guideline centres on openness, awareness and critical reflection.. It is perhaps ironic; that success can breed complacency, myopia and a reluctance to listen to less powerful voices that can often be the engine for change. This is how the seeds of destruction can often be sown during the pinnacle of company success. Too often it is wrongly assumed that strategies that worked in the past and served as the foundation for companies' current 'success' will be the necessary driver for future strategic advantage. The need to reinvent and appraise change strategies rather than to simply imitate others or refine initiatives that have been successful in the past is central to the processual perspective on change developed in this paper.

8   CONCLUSIONS

The processual approach advocated in this paper views change as a process that takes time and is shaped by context, substance and politics. As such, it has been argued that simple recipe approaches to change are not practicable, as change strategies need to be able to adapt to the unforeseen and unexpected. It has also been shown how the experience of change will vary over time and across individuals and groups. Many of the changes occurring in the workplace are not isolated context independent events but form part of a raft of overlapping, interlocking and at times conflicting change initiatives initiated by others for a series of competing reasons. To those wishing to steer, resist or promote change, the political process of information management is critical both in the timing and release of information and for example, in the creation of change stories that may influence decision-making. Essentially, it is substance, context and political process that shape our various contemporary experiences of organizational change, and it is hoped that the material presented in this paper has gone some way to providing further insight into this complex and muddied phenomena. From these insights we may be better equipped to accommodate and steer change processes but we can never be fully prepared for all eventualities. This is perhaps what ultimately makes change such an interesting subject to study and debate; that is, the essential unforeseeable character of change means that the process cannot be predicted and that outcomes are often only understood in retrospect.

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