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Change Management – A competitive edge in today's world?

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<p>This research paper focuses on the effects of change management on companies and if it is required to implement it in today's world, in order to acquire a competitive edge. Simultaneously, the research paper will discuss the effect change has upon employees within a company and whether existing tools can be implemented to overcome change in a positive way. The research emphasis is on an interview with a respected executive operations manager. The interviewee has an international background and first handed experience of the impact of change management.</p> <p>The literature review aims to give the reader an understanding and a foundation of change management and the connection between company and employee – while demonstrating various frameworks that are used to understand the topic further. Additionally, the role of management, managers, and employees as well as the importance of communication will be discussed.</p> <p>With information based on an interview with Leonhard R., the result section will describe his career path and current position while elaborating on his exposure to change management. Furthermore, it was discussed in detail how to transmit change as positive rather than negative and if change management gives a company a competitive edge in today's world. The result section will follow a chronological path that reflects the interview. In addition to that, the last section of this research paper aims to give recommendations towards businesses who are struggling with change management and can reflect to this research paper to gain a foundation of it.</p>	
Keywords	Change Management, Management, Communication, Frameworks, Competitive Edge, Change, Business

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Appendix 1. Qualitative Survey

1 Introduction

Change is all around us and in today's society, it is more prominent than ever because it is a continuous essence that shapes the unknown future. Businesses must adapt towards these changes because markets are constantly on the move and it is extremely difficult for businesses to keep up and be on par with its competitors. This means that companies must change as well as implement new processes, train employees and integrate new technologies, in order to adapt efficiently towards change. Change management is a systematic approach for companies to implement and adapt towards business changes, may it be externally as well as internally. It aims to incorporate innovative strategies and foremost handle variables in an effective and understandable way (Murthy 2007). Internally change management could be seen as a threat because change that is forced upon may not be perceived as positive. This paper aims to find out whether change management is essential to implement in today's ever-changing world, while simultaneously analysing the effect that change management has upon the employees within a company.

Supported by qualitative research, based on an interview with a respected executive with international working experience. The main goal of the interview was to identify the individual exposure to change within a company and the necessary steps that need to be considered while being at a management level. Furthermore, the interview stresses on points such as, how well change is perceived within a company and what role managers and leadership have when managing change internally. In addition to that, the profound discussion with the interviewee and the researcher will analyse if change management is an essential asset in today's world. Furthermore, in order to provide and build a strong foundation of the topic, the research paper will elaborate on key points within the literature review. In addition to that, a good understanding of psychoanalyses of individuals when exposed to change and the stages people go through.

1.1 Significance of change management

As mentioned above, change is the new constant, but it can affect any branch within the organisation, ranging from leadership to the lowest level of employment. Over the last

decade, companies have seen drastic changes, especially when it comes to new technologies and change management is a crucial element in order to implement these new technologies and processes. Change is inevitable, but this comes at a cost, that can be seen internally across companies on a global scale. New technologies may scare the current workforce at hand because it's current status quo may be attacked from external influences. This might create a resistance to change because the internal structure of an individual may be at risk, therefore, it is seen as a threat. The root of all changes are the people; therefore, it is the company's responsibility to guide and help individuals affected by the change. By doing so, an organisation can create a workplace that is supportive, transparent and more open-minded to change (Rothwell, Stavros, Sullivan 2016:38-42).

Therefore, change management aims to create a smooth and supportive transition for the employees as well as the organisation and these two forces operate as one single entity. Once again employees are at the root of it all, therefore, change management can be used as a means to an end, to formally communicate to all people of the organisation. The idea stems from transparent communication and to clarify why the change is happening, how it will impact the employees and how the change is seen of value and not a threat. Within all diverse cultural societies, trust is at core, just like within an organisation, therefore, trust is essential when communicating with the affected employees. Therefore, it is of great benefit to keep all employees informed from the start, as it establishes a smooth and fluent transition and lets the affected individuals be more adaptable. Creating an atmosphere where people are more engaged and open to the change, will save time and it saves the company resources as well as money. By enforcing this way of communication within any organisation, a guideline is established and a standard on how the company adapts to new change that will arise within the future. By nature, human fear the unknown and if you eliminate this from the equation and implement a change management strategy with transparent communication across all members of the organisation, it will create a narrative for future changes, that the company has to adapt to. This automatically will create adaptable workplace with innovation being appreciated as well as new things, instead of being afraid of the change. (Murthy, C.S.V.2007:2-10)

2 Literature Review

The literature review will cover the most important theories and will guide the reader through the fundamentals of change management supported by the frameworks. Furthermore, the reader will understand that change, challenges individuals in a company and that change might be seen as a threat and this aspect plays an important role when mentioning change management, while simultaneously analysing the effect of change resistance and how deeply rooted it is within our minds. The theories are models designed for companies, which are going through change and the reader will understand each theory by the end of the paper.

2.1 Stages of change

Change is in other words, removing the current puzzle pieces and rearranging them to the new set informational flow. When talking about change within in an organisation, we must dive deeper into the psychological state of the human beings affected by the change.

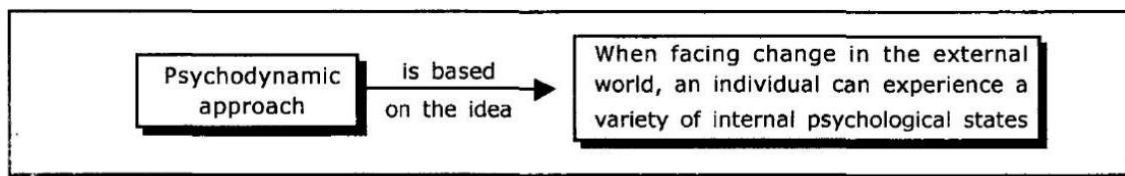


Figure 1. Psychodynamic approach (Murthy, 2007:40)

The psychodynamic approach is about understanding and relating to the inner world of change. This is especially significant when people are going through highly affective changes. This approach is highly significant since it assists the managers to understand the staff below them and vice versa. It guides managers to understand the process flow of individuals affected by the change and creates an understanding of why some people are more affected by change. It simultaneously identifies the thought process of the effected individuals undergoing a change. A great example of this psychoanalysis is the Kubler Ross model. The model was first introduced in the 1969 by Elizabeth Kubler Ross and was first presented to patients who were already at their deathbeds. Throughout the

years, research has shown a pattern amongst dying patients and people going through changes within an organisation. The individuals affected by these cycles, react towards it in stages (Murthy, 2007:40).

2.1.1 The Kubler Ross Model

As mentioned before, Elizabeth Kubler Ross published the work firstly on dying patients. The work was called “Death and Dying”. She studied these patients and the different stages these individuals went through. Throughout the years, a pattern was created and showed that these individuals would go through five different stages, “denial, anger, bargaining, depression and acceptance”.

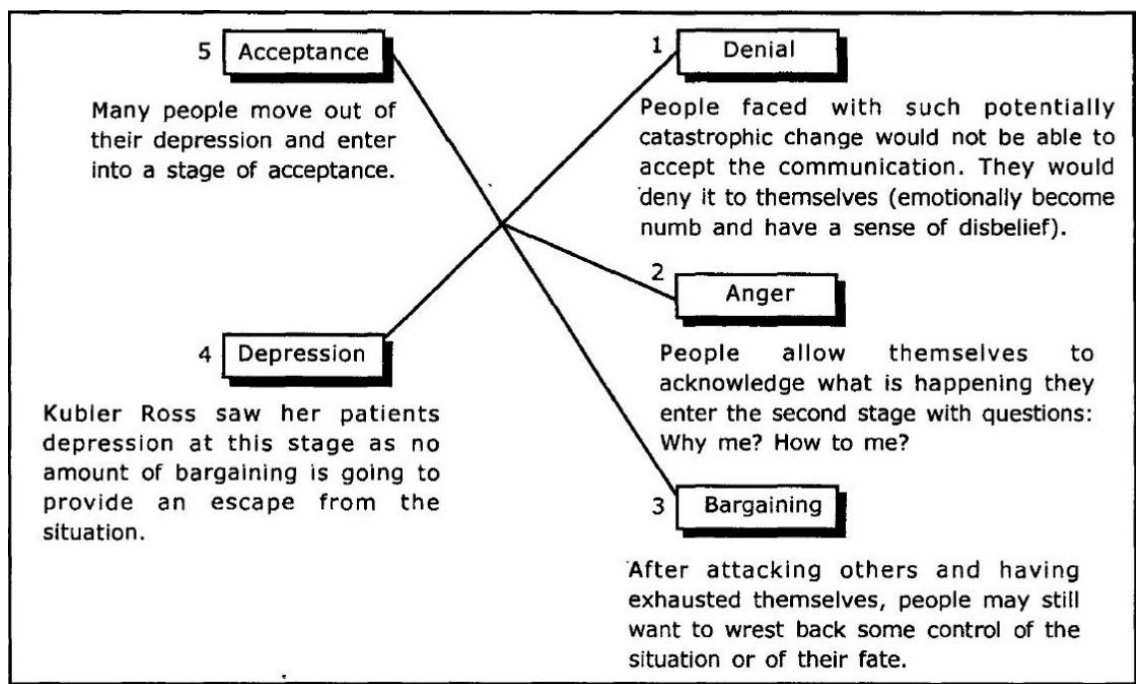


Figure 2. Kubler Ross Model (Murthy, 2007:41)

Initially, change is inevitable for companies, since the world is constantly on the move and companies must adapt towards these changes. The Kubler Ross Model, assists companies a great deal because it lets managers be change agents and get a clear understanding of why people do change and what their change process is. The five stages are feasible and very clear to understand. Furthermore, managers who act as change agents, can show compassion and understanding on a more emotional level

because they have a framework that serves them to their benefit. This enables the change agent to understand in what change stage an individual is in (Murthy, 2007:41).

2.2 Resistance to change

This part will focus on the psychological concept of resistance to change and how deeply rooted it is. Therefore, it is crucial to understand this concept when we talk about change management since companies in today's world have such a diverse workforce, different upbringing and a diverse belief setting. Resistance to change can occur when it is either enforced, hence the change at once it is too strong or if individuals or groups do not see the beneficial factor of change itself. This section will have a deeper look into the relationship between human behavior and the concept of resistance to change. Resistance to change activates a mechanism within our cognitive thinking and aims to protect the individual going through this stage, therefore, the individual would leave the comfort zone or the so called psychological safe place (Forsell and Åström, 2012).

In the 1940s, Raymond Cattell developed a 16-item inventory of personality traits and created the Sixteen Personality Factor Questionnaire (16PF) instrument to measure these traits. Robert McCrae and Paul Costa later developed the Five-Factor Model, or FFM, which describes personality in terms of five broad factors. The Five-Factor Model shows a pattern that resistance to change occurs as early as one's childhood and can be even seen in gestures such as body language. We can point out that some cultures use body language more frequently than others and that some gestures do not mean the same in every culture. This understanding of resistance to change is crucial to know because it creates a strong foundation of why people are afraid to change or do not see the change of value do (Ali, 2019).

2.2.1 Virginia Satir Model

The Virginia Satir model was first introduced by a therapist called Virginia Satir in 1991. The observation target group was families going through simultaneously different changes and it was analyzed how diverse the impact was towards their life. The model describes numerous stages mentioned below, that focuses on disturbing events. This model aims to be a change agent model that serves an individual and gives clear

guidance. In other words, the individual will move from the current status quo and set of information, towards unknown territory with a new set of information and skills (Murthy,2007:43).

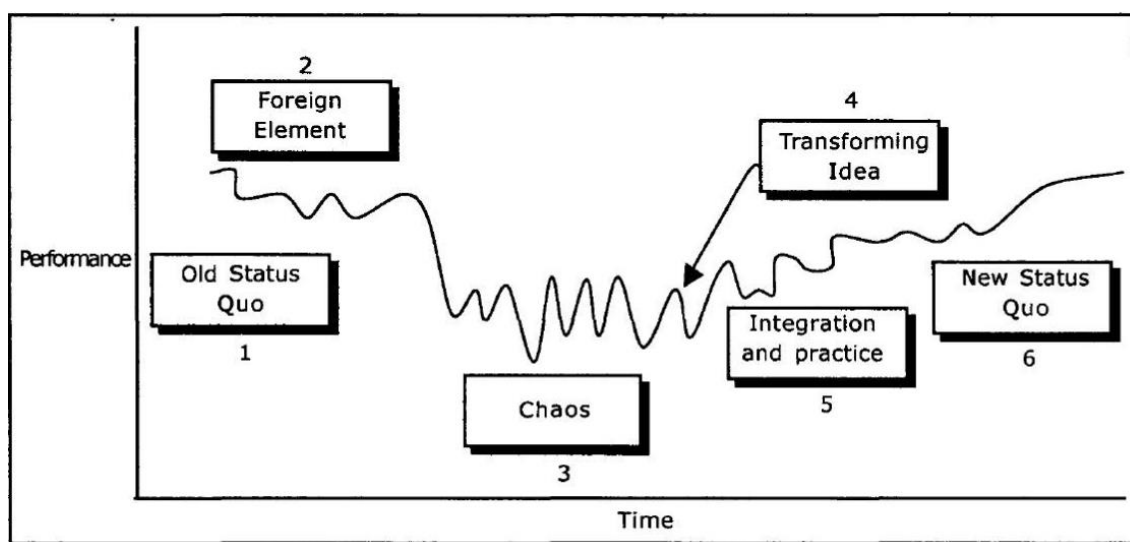


Figure 3. Satirs Model (Murthy,2007:43)

1. Initial Status: (system is in relative equilibrium & relative harmony)	Maintaining the Status Quo (Day to day event continues same)	(The same earlier, same today, same tomorrow also)
2. Foreign Element (Something new enters the system)	A Factor not present earlier introduced. It has an effect	
3. Chaos (Internal) He may be in a state of disbelief – denial or emotional numbness	Individual's own perceived world might be turned upside down or inside out. Here elements of anger and disorganisation permeating the individual's world. Feelings of dread, panic and despair are followed by periods of apathy and a sense of pointlessness.	(Not knowing what to think or what to feel or how to act)
4. Transforming Idea (An Immense amount of work still needs to be done. The individual has generated this transforming idea)	An individual is coming to terms with the reality of the situation and experiencing acknowledgement and acceptance.	(seen the light or atleast a glimmer of hope)
5. Integration and practice	You begin to accept the idea of a new role and try it on for size' – Restructuring takes place at your place of work	The individual can begin the journey of integration

Figure 4. Satirs Model in details (Murthy,2007:43)

This model demonstrates in detail what people go through change and why they are so resistant to it. In other words, the first step is basically attacking ones current status quo. Humans tend to move in cycle; therefore, patience is key.

2.3 Frameworks

Management frameworks are used to define the corporate structure or implantation strategy that a company utilizes while managing change. The frameworks, work as a guideline to develop a roadmap to achieve a specific goal or implement new ways of working. In this paper, frameworks such as Lewin's Change Management model, McKinsey 7S mode, Planning Model by Lippitt, Watson and Westley will be discussed. This chapter will show the reader the different tools an organization can utilize, in order to be successful and adapt to change. To further understand why such tools need to be implemented, this section will elaborate on why companies should change and why it is so hard to change, in other words, leave the current comfort zone and enter new territories of the unknown.

2.4 The concept of change management

In order to understand the frameworks mentioned in this paper, it is essential to understand change management and the steps that the concept holds. Change management is a systematic approach to dealing with the transition or transformation of an organization's goals, processes or technologies. The purpose of change management is to implement strategies for effecting change, controlling change and helping people adapt to change. The culture remains untouched, but the change should aim to help the company remain competitive in its market and reduce risks (Murthy,2007:22).

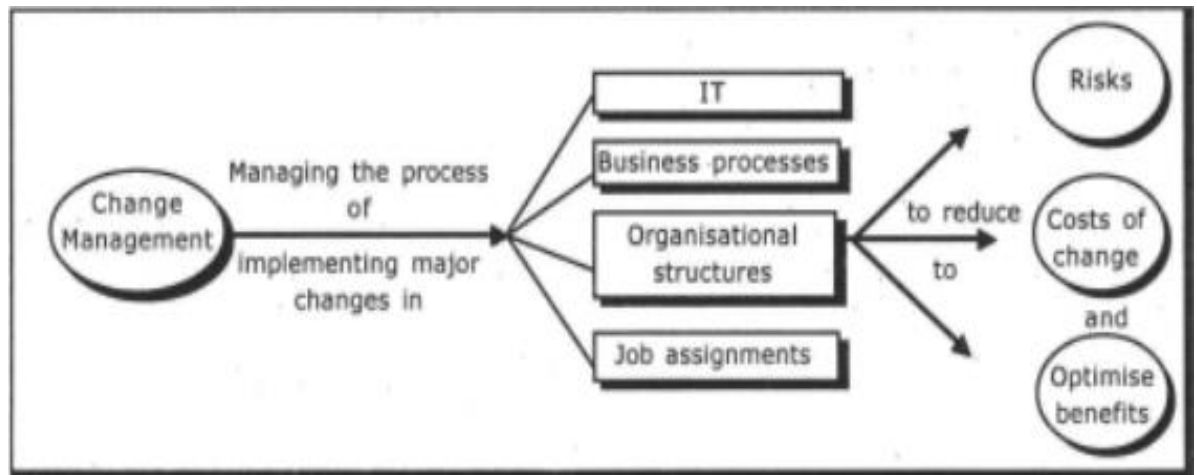


Figure 5. Definition of change management (Murthy,2007:22)

2.4.1 Understanding the aim of change management

The purpose and the aim of change management is to control the so-called development of all changes that the company is undergoing and to ensure a company is as profitable as possible. Thus, change management fundamentally aims to ensure the well being of the employees because its employees are the company's greatest asset. (Murthy,2007:22-23).

→Why change happens?

→How change happens?

→What needs to be done to make change a more welcoming concept?"

These specific questions above, offer a great deal of understanding of the frameworks that are in place, in order to approach change in a different way, may it be individual or at organizational level (Murthy,2007:22-23).

2.4.2 Key dimensions of change management

The figure below elaborates exactly on key components of change management and how every sector within an organisation is interrelated and directly affected. The figure will elaborate on the time-consuming effort it takes, to implement change directly into an

organisation. In every company around the globe, key components such as arising technologies, people, new systems, and new arising business strategies, are constantly updated. At times, a company is forced to reach to external forces such as consultants to implement the new change strategies and change management activities since they do not work with a bias (Murthy,2007:23-25).

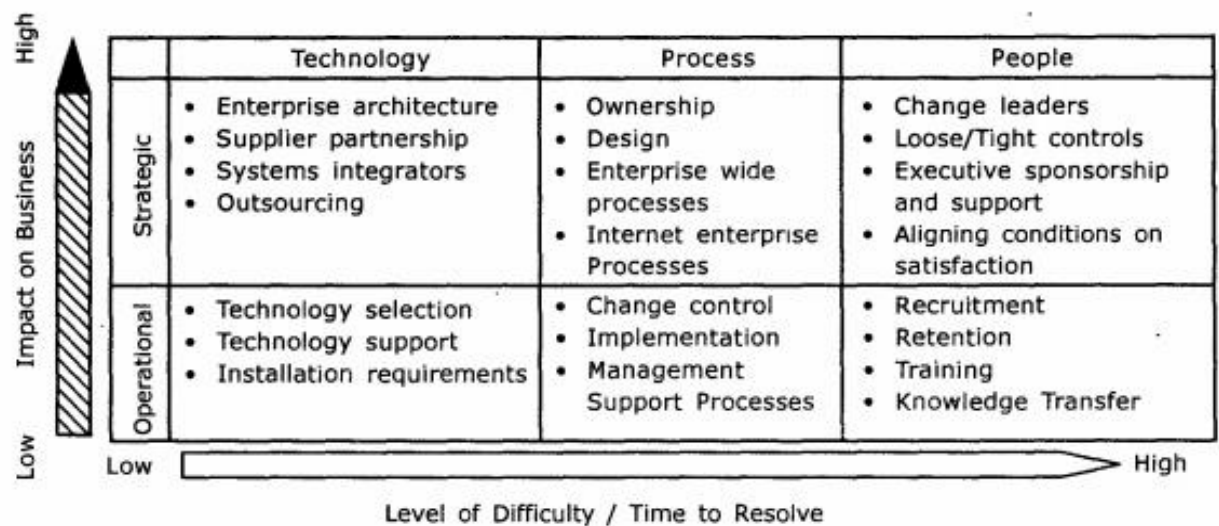


Figure 6. The Key Dimensions of Change Management (Murthy,2007:23-25)

2.5 Kurt Lewin's model on Change

This chapter will analysis the model of change by Kurt Lewin known as the three steps', →unfreezing→changing→refreezing, and he is widely considered to be classical approach when managing change.

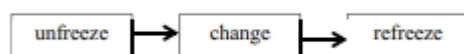


Figure 7. Change as three steps

Kurt Lewin is well-thought-out to be the founding father of change management with his three-step change model, as seen in figure 7. The world has recognised Kurt Lewin for his simple yet most applicable approach on how to manage change. Many companies

use it as a textbook while implementing new forms of change, or in other words they use it a schema (Kurt Lewin's field theory, 2020).

This section will elaborate on this tool and how it is implemented. Furthermore, it describes the three different processes, as seen in the figure 7.

→The first step in Kurt Lewin's model is the so-called unfreezing, basically our behaviour and understanding of the world is connected to our status quo and we are therefore resistance to change. In other words, change is seen as a transformational act in which we transform and take things from the present into the future, confront new inputs of information, and need to learn how to process them. People need to acquire new psychological safety in order to move into a new form, basically transform from the old habits towards the unknown. In organisational context, it could be framed as convincing the people affected by the change that the change is necessary and positive (Burnes,2004).

→Change is the second phase in this model and it surely not the best solution, but it defines clear pathways and as Kurt Lewin himself said "*Learning is more effective when it is an active rather than a passive process*". Given his quote and understanding this, it is basically a learning curve that employees of a company must undergo and understanding this process is something positive rather than an enforced and bad change. Once fully operative and implemented within an organisation, the next step would be to turn "you" into "us" and create a collective identity. (Burnes,2004)

→Refreezing is the last phase of Kurt Lewin's model of change. This phase of the model aims to ensure that all new puzzle pieces have been arranged towards the new status quo and shall be implemented. In other words, these new pieces that create the new set of the puzzle must be realistic, pragmatic and easily adapted by the people affected by the change (Burnes,2004).

This model, even though most applicable to any company, has received criticism by other respected scholars such as Edgar Schein. Schein stated that, if one changes the people within an organisation, the culture and corporate structure changes as well. Therefore, it is a too simplistic instrument to implement in today's world, due to the world being too complex (Cummings, Bridgman and Brown, 2015).

Linda Dickens and Karen Watkins argue that he merely focused on internal influences and somewhat did not take into account factors such as politics and religious influence from the outside. However, these factors play an important role on how to change the status quo, due to the fact that company culture mixes with external cultural factors (Eden and Huxham, 1996).

2.6 The Mckinsey 7s Framework

This section will dive into the 7s Model of Mckinsey, which is a highly respected management consulting firm, operating out of the united states of America. The company is well respected when it comes to organisational restructure and change management. This section will focus on the so-called McKinsey 7s Model. The Mckinsey 7s Model, is basically a framework for organisations, that look at seven internal factors, that need to be in place and interrelate with each other, to ensure organizational success and efficiency. This framework was created by Robert Waterman and Tom Peters around the 1980s'. The structure is divided into two parts that co-exists which each other, three hard S and the four soft S. Arguably, after analysing the tool and having used it in several workshops, it is applicable to any organisation that is facing a change or an organisational restructuring. The Mckinsey 7s Model focuses on the role of internal management coordination, rather than the internal structure of the whole company. These factors are analysed by the framework to ensure organisational efficiency and effectiveness of the whole organisation (Waterman, Peters and Phillips ,1977).

Below the reader will find the illustration of the Mckinsey 7s Model, which demonstrates all the components that interrelate within an organisation when discussing change management.

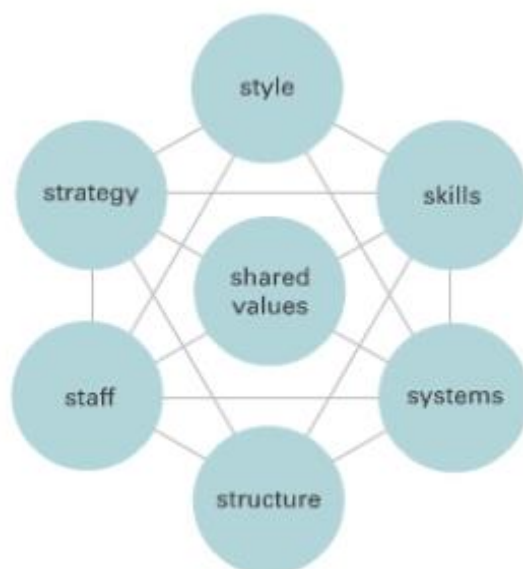


Figure 8. McKinsey and Company 7s Model (McKinsey 2018)

As mentioned before, the model is divided into segments, the “Hard S”, (Structure, Strategy and Systems) and the “Soft S” (Staff, Style, Skills and Shared Values). This model focuses on the internal coordination rather than the firm’s structure. The 7s model analyses the different aspects of each segment and tries to enable an easier mixture of various departments.

Strategy – Donald W. Beard and Gregory G. Dess (1981), mention that strategy within an organisation could be looked at from two different interrelated angles, corporate level strategy and business-level strategy. Organisational strategy is arguably one of the most difficult tasks when looking at businesses as a whole. This is due to the fact, that companies have to emerge from changes from the external world and react to it, in order to constantly be on par with the competition. Corporate strategy looks at the market as a whole and defines in what market a company should operate in. In comparison to business strategy, where a company looks at its competitive edge in a given industry. To conclude, the strategy has to align to all segments within this framework to be fully functional and impactful (Beard and Dess, 1981).

Structure – According to Doty et al. (1993), organisations that are structured more wisely operate better and are more interrelated. Being more structured means, having a competitive advantage within the market,

Therefore, it is crucial to organise companies in specific ways within the respected market they are operating in (Burton and Obel, 2018). The underlying foundation of structure is basically the allocation of formal and informal tasks and responsibilities that are shared within departments and throughout the company (Doty, Glick and Huber, 1993).

Systems – In other words the day by day routine, that runs the company from all departments horizontally and vertically. Systems will dictate a pace within an organization for the better or the worse. Therefore, systems by nature are an important component when we look at change management as a whole. It is crucial to understand that systems are related with one another and that companies need to adjust towards market changes, needs and most importantly the allocation and distribution of resources towards the right department (Waterman, Peters and Phillips 1977:21). The success rate of any given company will be significantly higher when the right systems are in place, to ensure organisational efficiency.

Style – Every company operates differently and inherently styles within organizations differ from one to another. Therefore, style determines the management style of the company. The management style will influence the company from top to bottom and vice versa and how it connects the management staff to the regular employee and the action taken amongst each other. In other words, the average employee will pay close attention to the management and what they produce and say but most importantly, the actions of the managers are what truly should be taken into accounts. The style of management relates to the business culture and aims to create and positive transition when managing change (Wagner, 1965).

Skills – this section basically analyses the concept of attributes within an organisation and the skill variety across departments. While looking at all these features, skills is most likely always related to the individuals of a company. In other words, skills usually tend to define a company in what they are best at (Waterman, Peters and Phillips ,1977:24).

Arguably, the founders of this specific framework claim that companies face new challenges and new obstacles that need to be conquered and while doing so the strategic focus needs a shift in order to move into the new direction. Basically, a company is required to take these necessary steps and apply the acquired new skill set

Therefore, new skills replace the old skills that are not anymore required or practiced and adopting to these new set of skills gives the company a competitive advantage. The most challenging aspect of this is not to acquire the new skills but rather to apply them and make them the new norm. In order to do so, the company must get rid of the old skill set in and implement the new skill set (Waterman, Peters and Phillips ,1977:24)

“Possibly the most difficult problem in trying to organize effectively is that of weeding out old skills-and their supporting systems, structures, etc.-to ensure that important new skills can take root and grow.” (Waterman, Peters and Phillips ,1977:25)

Staff – this section focuses solely on the human side of a business. It clearly states that all companies, big or small, are similar and alike because it is by default a human enterprise. When aligning it with the skill section or strategy section, it clearly shows a pattern that by default people are at hand. Therefore it is crucial to have right people positioned at the right place and time. Looking at various departments the knowledge set is quite widespread and therefore it is crucial to have the right people at the right department otherwise things such as technology a mere idea rather than an application. Looking deeper into this matter while analyzing the framework, it is arguably divided into two segments, the so-called hard surface which consists of pay slips, training etc. while, the so-called moral segments look at the human side of things such as morals, motivation and behavior within the company (Waterman, Peters and Phillips ,1977:23-24).

Values – This chapter will focus on the values of this framework. In organisations, values amongst departments are internally as well as externally. The concept as a whole stems from how a business operates, and their behaviour within the organisation will determine the external outlook of a company. In other words, what kind of footprint a company will leave behind (Waterman, Peters and Phillips ,1977:24-25).

Looking deeper into the meaning of value when speaking in a business context, then we can clearly see a pattern that arises, that companies do hold a responsibility to the outside world. Therefore, values are internal factors just as much as external factors on how a company carries itself to the outside world and what responsibility the company has to the communities and society. Furthermore, values will shine towards the outside

of a company, and values stand for something a company represents towards it's society (Ravanfar, 2015).

To conclude, this framework has 7s steps that can be implemented into any organisation as it divides the 7s into two segments which are mention above and therefore, gives a clear understanding of how to use it. "We think that these variables can be at least as important as strategy and structure in orchestrating major change; indeed, that they are almost critical for achieving necessary, or desirable, change." Looking at everything, arguably the human side is the most important one as there would be no organisation without the human element to it. (Robert & Peters,1980:25-26)

2.7 Planning Model by Lippitt, Watson and Westley

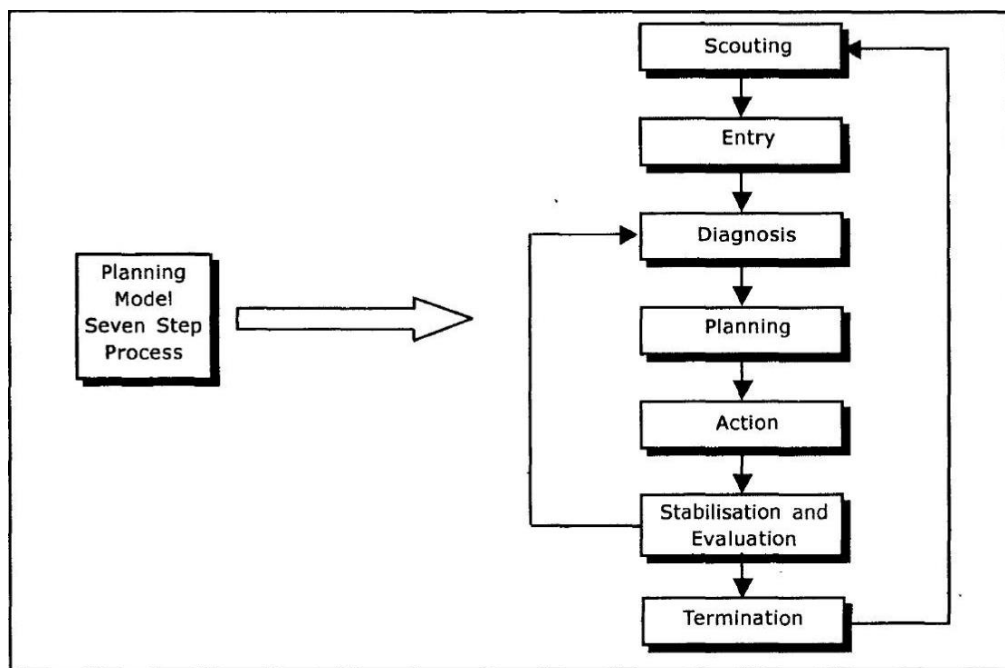


Figure 9. Planning Model (Murthy,2007:139)

Lippitt, Watson, and Westley first established this change management theory called the planning model theory, throughout the years other respected scholars Kolb and Frohman have modified this model in 1970. This specific model is basically a seven-step stage set up between the affected company and the change agents and in most cases, it is directly the manager who acts as change agent. To further understand, this transparency serves directly into the action section, so everything can be implemented smoothly. Lippitt,

Watson, and Westley (1958) extend Lewin's Three-Step Change Theory. It was created and focused more on the role and responsibility of the change agent than on the evolution of the change itself. Information is continuously exchanged throughout the process. (Murthy,2007:139)

→Scouting – Combines the forces of the affected company and the change agents, which in most cases are the managers. This newly build task force will discover areas within the company that need to change. (Murthy,2007:139)

→Entry – This section will enable joint communication and sets an expectation benchmark on what to expect by the sections that are affected and need change in order to operate at full capacity. (Murthy,2007:139)

→Diagnosis – This stage ties the two stages above together because this stage serves an analysis stage. In other words, the combined forces have identified the improvement goals that need to be implemented. (Murthy,2007:139)

→Planning – This stage as the name of it already states is the planning stage. This stage focuses on the planning and adaption for change resistance and how to overcome it if it arises within the company. Resistance to change is the section above elaborated and should be understood by the reader. (Murthy,2007:139)

→Action – Implementing all steps that were conducted and found through the stages before, especially the planning stage. This stage summarises the planning and forces implementation. (Murthy,2007:139)

→Stabilisation and Evaluation – This stage ways the cons and pros against each other and analyses the success rate or even if the whole process should be terminated due to the high rate of failure. (Murthy,2007:140)

→Termination – This phase does not happen all the time, but it is important to know if everything fails throughout each step. Termination guides the combined forces either to leave the systems or start a new one. Furthermore, it is a reflexion on the stages prior to the last, to identify the stages and if perhaps a change within each stage needs to be taken place. (Murthy,2007:140)

2.8 Summary of the theories

The three theories presented by the researcher within the thesis aim to guide the reader through different comparison by respected scholars and their pragmatic view on the framework needed in order to implement change and be successful. A clear pattern arises, that change by nature comes in different forms and is looked upon differently. Therefore, there is no simple solution that suits everyone. Change is indefinitely affected by internal and external factors that influences the pattern of change itself, in other words change is not just black and white, as there are many factors that play a significant role when talking about change itself. In all of the frameworks presented in this thesis, we can see a clear unspoken understanding that people are the centre of all things that are affected by change. Leaders and employees must work hand in hand in order to implement these processes or stages of change successfully, and as mentioned in the section of resistance to change, issues can arise that indefinitely attack the current status quo of affected individuals. Therefore, managers need not to only witness the change, but take part in and guide employees and ensure that the message of change is transparent and of value. Leaders are the upfront face of change and need to enforce the vision of change not forcefully but rather with patience, compassion and a right approach that relates with the individuals affected by the change.

Lewin's change framework defines firstly, the behaviour of the individual affected by the change. Therefore, change the current status quo. Therefore, Lewin defines effective change implantation by changing individuals rather than the group first. By doing so, the individual affected starts to open up about new things and looks further than their own horizon. Once the necessary steps are achieved mentioned within the framework, a new status quo is created.

The next framework is by foundation quite different compared to the Lewin's change model. It analyses seven diverse features that a company possesses in order to be a successful company. These seven diverse traits are all connected, and it rather looks at the whole company. In contrast to Lewin, who looks at individuals first. These seven different traits make the McKinsey 7's model and define the company's goal.

Lippitt, Watson and Westley, compared to the other frameworks focuses rather on the change agent in place. Hence, the framework seems like a well-structured guideline to an individual and a script on how to implement this process.

3 Research Methodology

This chapter gives the reader an understanding on the thought process that was put into this paper. This research focuses on the positive aspect of change management and how it emphasises the success of a company. Therefore, qualitative research was implemented and this paper answers specific questions, that were concluded within the interview with the respected interviewee. The interview was specially designed to answer certain research questions such as; is change management a successful tool in today's world?

3.1 Secondary Research

John W. Creswell (2012) states that there are three dissimilar approaches on establishing a profound study. The first one is widely used amongst psychologist and it is the quantitative research. Basically, researchers tend to gain numeric data from bigger groups through a set of surveys (Creswell, 2012:13). We can clearly see this pattern when it comes to surveys within organisations to analyse behaviour patterns and satisfaction at work. Moreover, qualitative research by foundation is very different than quantitative research, because it rather focuses on specific sources in order to validate the argument within a research (Creswell, 2012:16). Furthermore, this thesis paper will focus on the qualitative research method. This model fits this thesis perfectly, due to the fact that it demonstrates the life experience of the interviewee and is applicable to real life examples. Honourable mention would be the third approach to mix these two studies, the only issue is that the researcher might get confused data and lose track of the end goal.

Nonetheless, the paper focuses on qualitative research and on the main point of the thesis, "ensuring a competitive edge via change management".

Some of the interview questions will include for example:

“What is your experience with change management (on a project, program, or organization level)?”

For starters, the interview was well designed and organised in order to give the interviewee a good change to prepare and know what to expect. Throughout the interview the questions went into a much deeper psychological state, as change management touches base on a lot of psychological aspect that makes us human, as mentioned in the stages of change section.

3.1.1 Qualitative Research

As mentioned above it is crucial to identify what type of data will be collected in order to support the thesis question. Therefore, it is crucial to first fully understand what processes will be enabled and what the topic is about. Basically, in qualitative research a broad set of questions will be shared with the participating candidate and in this thesis, the interviewee is **Leonhard R**, an executive in operational manager. This gives the interviewee the ability to share his experience and let him have a safe and free space in order for him to answer truthfully and honestly. By conducting this type of interview, we will understand what change management is, within his perspective and the company. The phenomenon; “if change management has a competitive edge” will be answered by the end of the thesis (Creswell,2012:204-212).

There are many ways to gather information, but this paper will focus on an interview between the researcher and the executive operational manager, Leonhard R. Given the current situation that the world is in this interview was conducted via Skype. This interview was based on the open-ended questions that were greatly designed by (Creswell,2012:217). The open-ended questions served as means to end to ensure that the interviewee has freedom to express his opinion on this topic.

The researcher of this paper focuses on this specific method because the information gathered from the interview that normally cannot be obtained, hold value and therefore are true by nature. In addition to that, this gives the interviewee the liberty to express his opinion. Nonetheless, it could be problematic when the interview or interviewee become emotionally attached to the research question and hold onto their opinion. Creswell in

addition to that mentions that, countries have different cultures and for example Germany has a high data protection law, therefore, before conducting the interview both parties must be on pair on how this interview is shared and how it is used. (Creswell, 2012 204-219)

Therefore, the researcher of this paper has predesigned the interview questions in order to give the interviewee Leonhard R., enough time to prepare in advance. To be fully transparent, the interview was conducted in English

3.1.2 Validity & Reliability

Qualitative analysis is not simply black and white, therefore, there is not an absolute way on conducting research. The researcher has assets at hand when conducting a specific research. Hence, it serves as a means to an end. Nonetheless, the result of a particular study or research will vary. As the study always reflects the evaluator's understanding and that means that results might vary to different researchers' opinions within the same topic. The research was conducted directly with an executive and therefore, the emphasis on the reliability of the outcome is considered. Creswell (2012: 238)

In case of this specific qualitative research, an interview was conducted in order to understand the influence of change management in a company. The process in place and the exposure to change as a whole was analysed during the interview.

4 Results

To further elaborate on the process of the interview, it is important to understand that the findings have been structured according to the understanding of the researcher. A keynote to keep in mind is, that the company wanted to remain anonymous, hence, a label such x will be used to name the company. The focus is rather on the interviewee Leonhard R. who has had various international experience. The results will elaborate on an organisation level and on a personal level.

All the sections within the results are written by valuing and analysing the answers the interviewee has provided, hence making it reliable. All the paragraphs were written by the answers the interviewee provided, hence, in text citing was not needed.

4.1 Background of the Interviewee

The respected interviewee has been with his company for about a year and is located in Munich, Germany. Throughout his career he has gained international experience as he has lived in various countries, where he gained intercultural communication skills which he emphasised are more important in today's world than ever before. His emphasis on understanding and exposing oneself to various cultures is crucial, in order to understand the business world, we are currently in.

In his current position as an executive operations manager, he is responsible for planning and executing high class events for a small group of top management of German billion-euro turnover companies. Hence, he is directly in contact with various executive and management level people, who are constantly exposed to change. Since his role involves communicating with various people and managing a small team of his own, he is constantly exposed to change. His emphasis on the impact of change in his daily work is quite fascinating as change is the only constant in his work.

4.2 Exposure to change in the career path

As mentioned above the interviewee is with the event management business, which always needs to adapt quickly to the external and internal factors. "Even management business segment is driven by change and working together with the strategic level of enterprises, it is only change we discuss". Looking back at his career, while working in Finland as a team manager for D/A/CH (Germany, Austria, Switzerland), he was authorised to lead various projects and have a team at hand who he led. Usually, the main issue was the fluctuation of new hires and staff leaving. Therefore, new process had to be taught and adapted since new people were joining his team. Throughout his career the understanding of everyone being different is very important to understand.

Not everyone adapts as quickly to new environments and forcing people to do things a pressured way will lead to negative outcomes. It is crucial as a manager to be the voice of change and not enforce the change at once, it is the managers responsibility to understand the people as individuals, if the desired outcome is to have a self-driven team which is productive and successful. Now keeping that in mind, that was the internal adaptation to change within his team without mentioning the change the company was having. He mentioned that companies change all the time as the influences of new technology and different systems are a constant in today's world and it is the responsibility of the management level to transmit a voice of reason. His key take from this was, that people are the core of every structure and it is the higher-level management's responsibility to treat people with dignity and understand that change is adapted differently.

His current company is a start-up, employing 25 people after two years of existence. In his humble opinion start-ups are fascinating as everything moves so fast and new systems, technologies or working styles can be implemented so quickly. The respected interviewee can drive the change himself, due to the low hierarchy a start-up has in place. The interviewee mentioned that implementing new ways of working such as agile project management was rather easy as the start-up mentality makes it much easier.

Nonetheless, people tend to dislike change and this support by the resistance to change section above within this paper. It is crucial in his opinion to first understand where oneself stands in order to understand others. Therefore, it is easier to understand change and adapt towards it and by doing so, being the voice of value to drive positive change. He mentioned that it is also the responsibility of management to provide leadership and change management sessions in order to understand change and how to adapt towards it better and apply it in today's business world. Taking challenges and difficult times for granted is not the way to approach certain scenarios in a business setting as learning from the mistake is crucial in order to become a better version of yourself and set examples for people. "Looking back at challenges of the past which remind of me difficult times, I came out stronger for my team and together we overcome change and difficult times, that seemed impossible in the beginning."

4.3 Understanding the process of change management

As we know the world is constantly changing and therefore, process change with the companies in forms of technology for example. Companies in today's world use to forms of system development and implementation, one is in-house and the other is without external consultants. In his humble experience, the CEO has made sure that new systems were developed in-house and implemented with the people within the company. The external consultants are expensive and may influence the moral of the workers, because that could be understood as form of not trusting internal employees and their capability to the job the right way. During his working career, the main working system was change for the whole line of operation and this affected hundreds of people who have been affected by the change. Recalling this event, he clearly states that almost everyone hated the change in the beginning and did not see a particular importance of this new system.

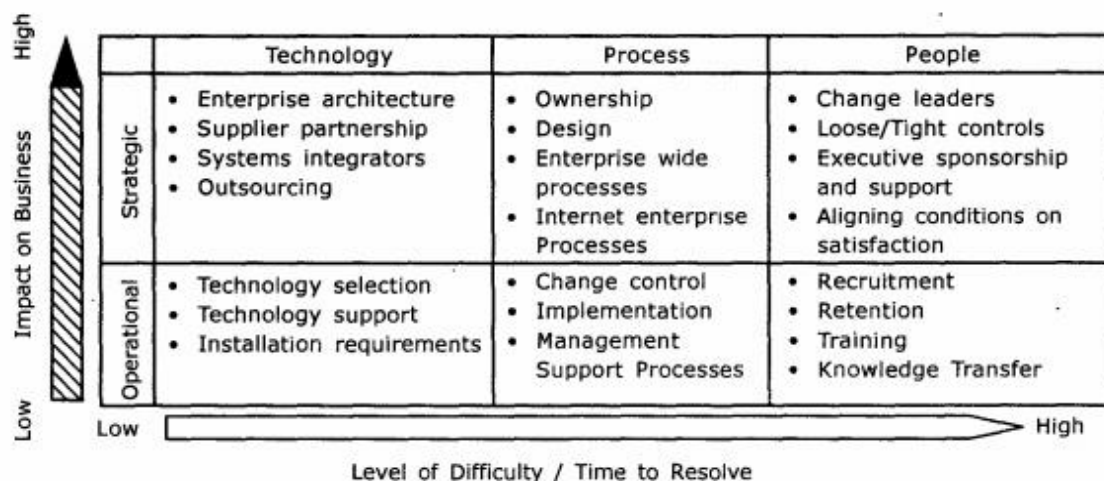


Figure 10 The Key Dimensions of Change Management (Murthy,2007:23-25)

The figure above which can be found in the key dimensions of change management describes this scenario. It is crucial to have change management agents in place who will lead the change and not only witness it and transmit a voice of value in order for people to understand and value the new program. Therefore, creating a collective ideology and unity will drive the change into the right path.

4.4 Communication is key in change management

It is essential to have a smooth and transparent communication in place because it ensures to achieve the goals that are being set. Communication is very important in business since effective communication ensures a healthy relationship between the various departments and teams. It is essential for the manager in place, since people tend to seek for answers when exposed to change from the person in charge and that if implemented correctly will improve the moral and success of the company. Therefore, it is preparing oneself and know who the audience is, who are supporting the change and who are resistant to it, to further understand it, the manager must know who and what does this change affect in order to take further steps. Certain steps must be implemented, such as creating a trustworthy and transparent environment for the people affected by the change and the manager must be actively participate in the change and motivate the people into the right path.

Psychology has an important part in this as change is seeing as something negative and therefore, people tend to resist the change. Leonhard R. mentioned that people have difficult changing because they are safe within their own environment and inputting a so-called foreign element will tackle the current status quo and therefore chaos will arise internally. Therefore, it is the leadership's responsibility to guide the individuals affected by the change and carry them into the new status quo and actively participate in the change. The Virginia Satirs model describes this phenomenon extremely well and by having this figure visualised, it is quite clear to the see the pattern by the people affected by the change.

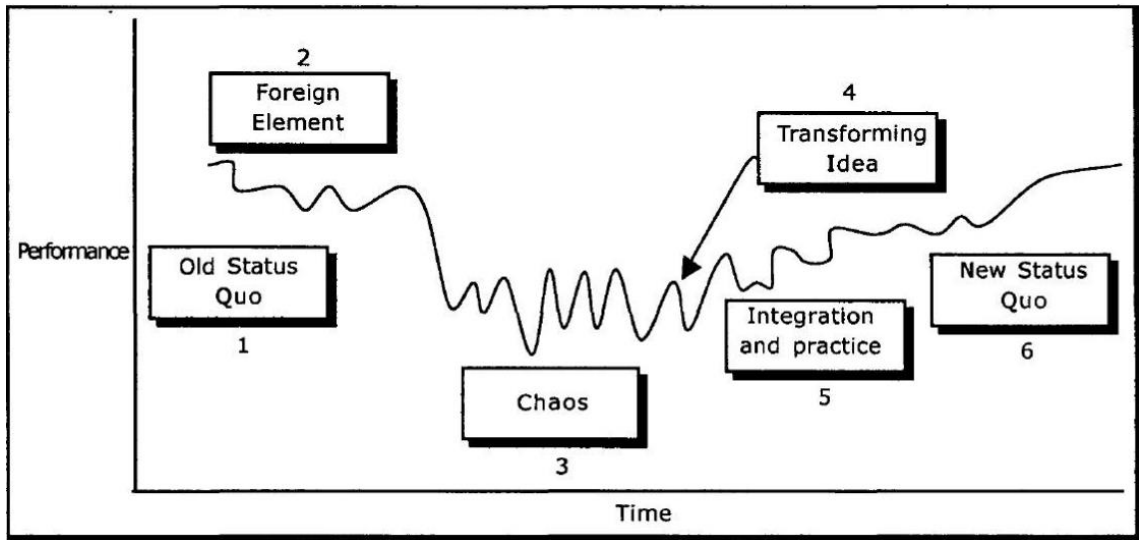


Figure 11 Virginia Satir's Model (Murthy,2007:43)

Communication does not stop internally and in the event management business scene, clients are the most essential asset to conduct business and be a successful company. Communication to clients about change should be kept a limit as

4.5 A competitive edge with change management

Change is all around us and all companies alike are directly influenced and affected by change. It is crucial to understand that change is something that companies are exposed to all the time and that not adapting to the change may have negative consequences. The figure below describes the procedure in this section

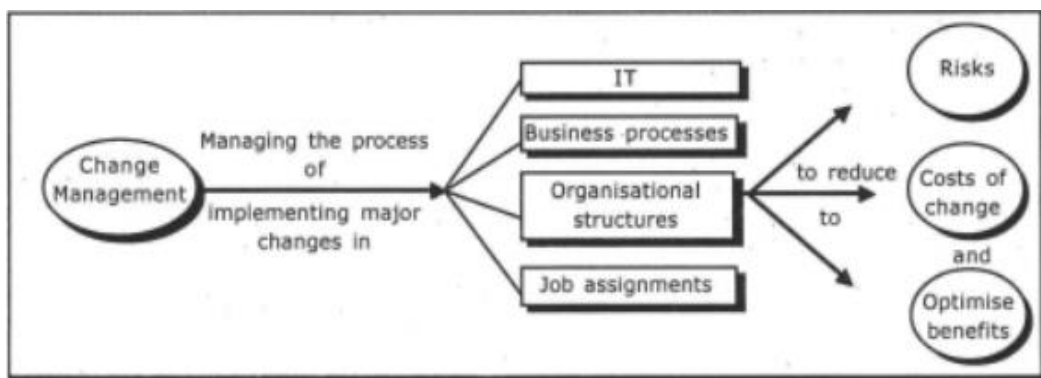


Figure.12 Definition of change management (Murthy,2007:22)

Companies should understand that they should be in the front lines and putting themselves out there is important in today's world and it is important that management understands this. Nonetheless, it is important to understand that too much change can have a negative impact and might just do the opposite as first planned. To be on the edge and a step ahead to the competition while being open to new ideas is crucial in today's world. It is the company's responsibility to first and foremost have the employees on their side because there would be no company without the employees. "The workers are the gold of the company; without them change is not possible."

Hence, it is crucial to understand that overcoming the resistance to change a company operates more smoothly. It is the management's responsibility to understand that people take to adapt and implement new processes into their daily routine and make it their new status quo.

Looking at the world with a big binocular and seeing how the world is constantly on the move to reach new highs and implement new processes, a clear pattern arises that change management bring a competitive advantage if implemented correctly. The history has shown that companies such as Nokia and Kodak were too comfortable in their current set up and situation. What followed after, they went out of business and they lost a battle to change, by simple not adapting to the new world. Especially many platform providers in today's world understand the meaning of change and can adapt almost instantly to every business situation in a heartbeat. "In my opinion, change management gives a company, and seeing in my company, a strong competitive advantage as it lets you be in front of the competition".

5 Analysis

Looking back at the literature a clear pattern seems to form that change is something that is not affected by anything physical but takes different forms throughout the course of history. Now more than ever change is prominent constant that companies should not take slightly, and that people are gold of every company. Companies need not only enforce change but actively participate in it and it is a company's responsibility to train the staff.

In case of Leonhard R., and his international experience working with many different types of people all around the world, one can learn that change starts with oneself and therefore, be a reason for change. Cultures and different working styles affect people differently and therefore, knowing that not all solutions fit all is essential when talking about change management.

Lessons learned by looking at one of the most prominent companies, Nokia. The era of fast paced movement, technological innovation and the arise of fierce competitors has forced many companies to adapt to the new changes.

Nokia the prime example of giant, that failed just because it could not adapt to the change of external forces. Nokia did not get accustomed to the ever changing world and the rapid technological advancement and therefore, the age of rapid innovation in the technological field has brought competition as well as creative ideas to the market and Nokia failed to change and adapt towards the change around it and was left behind and eventually fell apart. The resistance to change started with the stakeholders and top to bottom and vice versa because the organization was comfortable doing things the way they always did. (Khan, Raza and George, 2020)

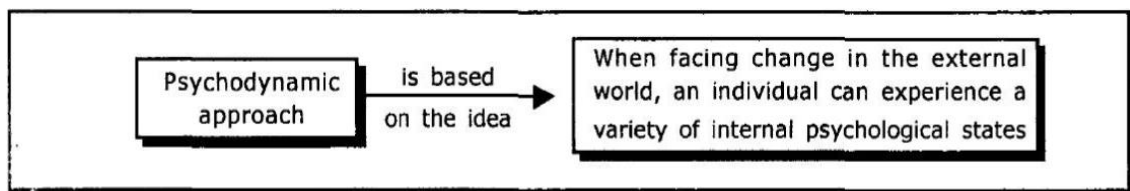


Figure 13 (Murthy, 2007:40),

The figure above elaborates and explain the thought process of the company and what did happen and what did not happen. When exposed to change, individuals and groups go through a psychodynamic approach within and are halted when the change is too much to handle and therefore, the current status quo is being attacked by somewhat negative external influences.

6 Recommendations

The world is changing constantly, and change management is in the middle of it all. We can see change constantly in all forms, as it does not have a label but a common understanding, people are at the root of all changes. Technological innovation would not be possible if mankind was not able to change and adapt to the world and its surroundings. The literature review section provides a foundation that can be relied upon in order to understand the processes and steps that must be taken within organizations. It is important to note that it is not used to reshape internal company culture or restructure the company but rather guide a company into the right direction in order to implement changes that will arise throughout the course of time.

Therefore, change management may be one of the key reasons if implemented well enough that a company thrives towards a successful business within the right market. In addition, by applying the right structured tools, training staff and designing an exact change model for the organization, a company can overcome change in a positive way. Hence, management level and middle managers are an important asset to transmitting a value message of change and take part in the change while implementing the change program in place. Unfortunately, knowing that a company may encounter resistance to change within the organization, it is crucial that management level not only witness the implementation but rather actively participate in it because it is important to create a safe and motivational work environment. Furthermore, in today's world cultural diversity in organization is extremely common and managers need to know this when implementing change, as change may be seen as something enforced. It is the responsibility of the managers to be transparent and ensure that culture is not being changed and that the company must change in order to be on par with competition. Lessons learned from the past and experienced individuals such as Leonhard R., that people are the true asset of any company and that it is the company's responsibility to nurture and understand that change is perceived by everyone differently. That is why it is important that top management level plans the change implementation in a way that it ensures a positive outcome and it is crucial that communication is transparent and the voice of change is the management level, hence, motivation and a safe environment will be created. Only then the organization can expect a positive outcome and a successful business environment is created. Therefore, arguably change management is a double-edged sword, since it promises extreme competitive advantage when implemented correctly,

while not implementing at all can lead to tremendous failure within the market and looking back, example such as Nokia are a prime example.

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Figure 3. Murthy, C.S.V., 2007. *Change Management*. India: Himalaya publishing house.

Figure 4. Murthy, C.S.V., 2007. *Change Management*. India: Himalaya publishing house.

Figure 5. Murthy, C.S.V., 2007. *Change Management*. India: Himalaya publishing house.

Figure 6. Murthy, C.S.V., 2007. *Change Management*. India: Himalaya publishing house.

Figure 7. Lewin change management theory

Figure 8. Mckinsey, NA. [online] Enduring Ideas: The 7-S Framework. Available at: <https://www.mckinsey.com/> [Accessed: April 20nd, 2020]

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Figure 10.Murthy, C.S.V., 2007.Change Management. India: Himalaya publishing house.

Figure 11.Murthy, C.S.V., 2007.Change Management. India: Himalaya publishing house.

Figure 12.Murthy, C.S.V., 2007.Change Management. India: Himalaya publishing house.

Figure 13.Murthy, C.S.V., 2007.Change Management. India: Himalaya publishing house.

Appendix

Interview structure

Key not to keep in mind, the interviewee wanted to keep the company anonymous.

An interview between researcher and interviewee Leo R., Executive Operations Manager at company XY.

Below the reader will find the guidelines that the researcher has used to hold this specific interview with the candidate.

Introduction phase

→Consists of small talk, such as the current world situation etc.

→Further on, the researcher introduces himself and explains the motivation to have this interview

→Elaborating on the thesis, explaining the purpose and key terms

→Explaining the interview procedure, asking for permission to note down the interview and align with confidentiality. A key component is that there is no wrong or right answer in this interview and that the interview serves as first-hand evidence to build a foundation on the specific thesis question, "Change management a competitive edge in today's world?"

Interviewees background

Age?

What is your educational background?

For how long have you been working at your current company?

Which countries have you worked in and did you have a need to adapt to these diverse cultures and working cultures?

Please tell me about your current position.

Exposure to change with the company and personal exposure

Throughout your career, have you first handed witnessed the impact of change or have you been directly involved in a change project?

How did you adapt to the new change? What personal advice would you give to others, that are faced with change?

General**questions**

We know that the world is constantly changing and so is the technology within companies.

→For example, a new systems software has been introduced to the company, how did you adapt to this new change and how was it implemented?

We know that communication is the golden apple in all companies and without a transparent communication flow, a company may not operate at full capacities.

→How do you transmit a valuable message to those that are opposed to change? For example, how do you build motivation towards change that excites your subordinates?

We know that building a trustworthy and motivational environment is important in order to sustain a healthy and successful company.

→In your humble opinion why do you think that many employees resist change and in addition to that, what is the biggest obstacle in change management?

→Have you ever been directly impacted may it be negatively or positively by new process such as software and working routines?

→How change impact your personally, your team and perhaps your clients? What do you do to ensure that the new systems in place are well received by every stakeholder you work with?

Wrap up the interview

→As mentioned above the world is changing, do you believe that change management is important in today's world and crucial for companies to understand it?

→What is the most important step to implement when change is happening within a company? In your experience, what would you have done differently in the past?

→ Once overcoming change resistance and adapting it into your routine, do you feel you or the company actually operated more efficiently?"

→To summarise this interview and ask the most important question of this specific thesis; change management, is it a competitive edge in today's world?

→Would you like to add something or say anything else?

Thank you!