



Expertise  
and insight  
for the future

Anastasiia Korzhova

# Change Management and Sustainability in a Business Context

Metropolia University of Applied Sciences

Bachelor of Business Administration

Degree Programme in European Business Administration

Bachelor's Thesis

30 April 2020

Author	Anastasiia Korzhova
Title	Change Management and Sustainability in a Business Context
Number of Pages	35 pages 14 April 2020
Degree	Bachelor of Business Administration
Degree Programme	Degree Programme in European Business Administration
Instructor/Tutor	Daryl Chapman, Senior Lecturer
<p>This thesis discusses the theories of Change Management and their effect on business sustainability. The research question is whether the theories that appeared in the early half of the XX century are still relevant and applicable in the modern business environment. Their application is discussed in great detail in chapter 4 of the paper. In section 3 of this thesis theories overview is given to provide a clear outline of them and set a foundation for the case study. A substantial part of the research is focused on organisational learning and its role in the transformation of the company since change requires adjustments and shifting in the dynamic that was set over the years. The methodology of the research is a literature review with a Company X case study. Based on it, was discovered that theories at question are, in fact, suitable for desired change and the combined effect they can have in the shift of the company's processes.</p>	
Keywords	change management, organisational learning, sustainability

## Contents

1	Introduction	1
2	Definition of key topics	2
2.1	Change management	2
2.2	Sustainability	5
2.3	Organisational learning	5
3	Theories overview	7
3.1	Lewin's model	7
3.2	Theory of reengineering	11
3.3	Nadler-Tushman model	16
3.4	Kotter's change model	18
3.5	Learning organisation	22
4	Example Company X	25
4.1	Background	26
4.2	Situation analysis	28
4.2.1	Reengineering	28
4.2.2	Nadler-Tushman model	29
4.2.3	Lewin's theory	29
4.2.4	Kotter's model	30
4.2.5	Learning organisation	31
4.3	Outcome	32
5	Conclusion	33
	References	36

## 1 Introduction

Change management is mainly targeted at maintaining both financial and environmental continuous progress of market transformation. Business conditions change constantly, and firms should be able to respond and adjust accordingly through change management which, in turn, will affect its sustainability and work methods.

Globalisation processes in the world economy, technology development, the changes of the environment lead business entities to active change and implementation of innovations. Both researchers and practitioners think what that they need in change is determined by the rapid development of modern technology, increased competition and overcoming internal contradictions and skills to do so on time and changing properly are important factors in the survival and success of an enterprise.

Change management is mainly targeted at maintaining both financial and environmental continuous progress of market transformation. Business conditions change constantly, and firms should be able to respond and adjust accordingly through change management which, in turn, will affect its sustainability and work methods (Newman, 2007).

One of the main problems of the development of modern companies is their development and change in accordance with modern market principles of operating and the growing demands of the external environment. The external conditions for the functioning of a modern organisation concern various indicators of its activities, require the flexibility of the management system, and therefore an effective organisational structure, as one of its most important elements (Blewitt, 2008). This point will be further discussed and analysed on the basis of Company X in chapter 4 of this paper.

The organisation and management of most enterprises do not meet the needs of the global market. This leads to management inefficiencies, that results in the company being in a crisis, making loss or bankruptcy, which, in turn, slows down the economic development of the country and makes it difficult for enterprises to compete globally (Ha, 2014).

At the same time, the solution to problems of development and change of organisations is important not only for unprofitable but also for successful, dynamically developing companies. Nowadays, the introduction of change management in businesses comes to be a new approach to management. In this regard, the processes of changes in the entire system of the enterprise and its organisational structure, including processes, people, consumers, as well as various models and methods for their practical implementation are of particular importance.

This paper aims to present and analyse the change management theories that can be identified as relevant in the subject of change and business sustainability. The research will further relate these theories to the example of Company X.

## **2 Definition of key topics**

### **2.1 Change management**

Every company or organisation constantly change to keep up with the dynamic environments it is in. Changes in organisations in one case occur purposefully based on systematically developed concepts of planned improvements, in others - rather informal and adaptive, when the organisation (or part of it) quickly adapts to the external environment by modifying its behaviour (as a reaction to current events).

Senior management initiates decisions to innovate, appoints individuals or groups of employees responsible for certain aspects of change. According to some experts, the processes of change should be managed by new people (Greiner and Metzger, 1983). This is advisable not only because of a lack of qualifications or lack of willingness to actively support the project by the available management staff but also because of fears that changes may otherwise not find the right direction and the required dynamics.

Organisational change planning encompasses analytical and forecasting activities, the development of possible measures and the selection of an appropriate strategy. In doing so, different levels of intervention in the old structure (individual, group, unit, an

organisation as a whole), as well as numerous organisational parameters, in particular, should be taken into account, including the following:

- structure and processes (more recently in the direction of "smoothing" of the hierarchy and strict orientation on the process of creation of goods in "horizontal organisations");
- production and information technology (for example, the introduction of minimised production resources);
- organisational culture as a model of fundamental values and principles shared by the members of the organisation (radical change is extremely difficult);
- human resources, for example through selection, staff development, incentive systems, and motivational (with the "transformation" of behaviour and attitudes) personnel management.

It is crucial to distinguish between partial and radical changes. The former is based on existing value systems, structures and processes. In the course of partial transformations, the practical suitability of the project dominates, not the unconditional achievement of the ideal (conceptual) state.

Radical changes are urgently needed because of the rapid development of the surrounding market environment after a long phase of stability and long-term neglect of the necessary adaptation steps. Such a "revolutionary" process of change to achieve a competitive advantage may be desirable strategically but meet strong resistance from the staff.

The analysis shows that change management can be applied in a variety of situations and take different forms of implementation. An important area of further research is the relationships that can arise between internal and extra-firm conditions, the human resources of an organisation, various types of crises, the main tools for managing change. It is necessary first of all to identify these links, and then to make empirically grounded assessments of the adequacy of the state of the enterprise and the tools for implementing changes.

There are several intermediate options between the extreme forms of change - economic reengineering and organisational development. They may differ in the degree of involvement of members of the organisation and the freedom of action of senior management in making change. Depending on this, the focus is on economic and / or social efficiency. The type of crisis determines the urgency of the changes and thus the degree of their radicality.

Successful application of this or that method depends on the measures in the field of personnel management. Alongside employment retention measures, differentiated concepts of staff reductions cannot be ignored.

Change leaders must address employment problems without causing moral harm to the dismissed and seeking to ensure that they are used in the labour market. The purpose of change management is not to reduce staff, but to unlock and realise its potential to improve the competitiveness of the enterprise.

Transforming an organisation to its activities is a complex, ambiguous, and extremely conflicting process. To begin the transformation, one needs to be familiar with the organisation itself, its problems and people's expectations.

Changes in the organisation should be preceded by a thorough analysis of previous development, existing status and opportunities. The structure of the organisation, its goals and objectives, management systems, staff, the social and psychological atmosphere should be analysed.

The transformation programme should envisage several stages, covering preparation, gathering of information, defining directions of work and their consequences, organisational-technical and social designing, practical implementation of preparatory changes. The planned steps should be carried out consistently. The completion of each stage is an important milestone in the implementation of the entire project. Each stage is subdivided into tasks implemented in a different sequence: one before the other, some one by one, and a number of them in parallel.

## 2.2 Sustainability

Sustainable development theory is an alternative to the paradigm of economic growth, which ignores the environmental threat of development by an extensive model. Being a change process, it aims to assess the resource and investment allocation, the direction of technological development and internal processes and evaluate those factors in accordance with the current and future needs.

Sustainable development of a company is a balanced functioning of its constituent elements - financial, informational, innovative, etc. Unplanned deviations of significant indicators in the process of development and economic activity of a company may lead to a loss of stability. Of great importance is the undesirable loss of sustainability of the enterprise's development, because the stability and efficiency of its work determine the development of the country's economy and a sustainable strategy socio-economic development of the regions (Camilleri, 2017).

It is necessary to accurately establish and analyse potential problems associated with sustainable development, assess the potential of enterprises on time and establish methods to increase the sustainability of their development. In a market environment, the sustainable development of an enterprise involves finding new adaptive tools and methods to ensure it, not limited to establishing financial stability of business entities.

All this indicates the importance of the development and implementation of the system management of sustainable development of trade enterprises. The need for effective sustainability and the lack of theoretical and methodological provisions for managing the sustainable development of trade enterprises confirm the relevance of the topic of this work (Aras et al, 2012).

## 2.3 Organisational learning

Organisational learning is the adaptation of an organisation to changing environmental conditions and problematic situations through the receipt and processing of information necessary for the development and adoption of optimal decisions.



Argyris defines organisational learning as the process of identifying and correcting errors. In his opinion, organisations are trained through individuals acting as agents: the activity of individuals aimed at learning, in turn, is generated by the influence of environmental factors, the totality of which can be called a learning organisational system (Argyris, 1976).

Organisational learning does not come down to the training of individual employees; it is rather a structured training, as a result of which related competencies and interaction competencies are formed. This knowledge and skills are distributed between employees and are realised through roles, functional responsibilities and authorities.

On the one hand, the replacement of one or more employees in a learning organisation may be unnoticed, but the replacement of a significant part of the team leads to its degradation; on the other hand, replacing the whole team in poorly trained organisations with equivalent workers will most likely not lead to a loss in its quality, but the qualities of an individual or individual employees can have a significant impact on its capabilities (Smith, 2001, 2013).

In my opinion, organisational training contributes to the emergence and improvement of such organisational management mechanisms as:

- 1) adaptability, which ensures the survivability of the organisation in a dynamic environment due to adaptation to changes. Of interest here are factors associated with technological changes in the external environment, as well as factors determined by the organisational characteristics and capabilities of the subject;
- 2) innovativeness, which gives the variability of the organisation itself the nature of development. The transition to the next level of development is possible within the framework of the new concept, based on other development factors that were not previously available due to knowledge limitations;
- 3) consistency, which is a purposeful formation of stakeholders, partners, customers and the study of competitors. It is known that during the training, repetition is not as effective as the inclusion of associative relations with information of a different kind relating to other concepts and phenomena. This is not only effective, but also consistent with the practice of functioning of both an organisation, a group of people,

and an individual: the input of such systems receives information about the environment, often not repeated, having different quality.

### 3 Theories overview

#### 3.1 Lewin's model

Lewin's model (1951) has become increasingly popular. The rate of change in the economy is constantly growing, and for this it is necessary to adapt effectively to it.

According to the textbook theory of the American scientist, there are three main stages of change: Unfreezing, Changing & Refreezing (Lewin, 1964, Lewin's 3 Stage Model of Change Explained, 2020).

##### **Stage 1. Unfreezing**

The unfreezing stage is perhaps one of the most important for understanding that we are living in an era of change. This is a stage in preparation for change. It includes the realisation that change is necessary, and the willingness to move outside its "comfort zone". This first stage is for finding incentives for organisational change. Some action is needed to break existing practices. Most organisations are extremely committed to the old methods of doing business and discard any attempts at change, so radical steps are required, the purpose of which is to provide members of the organisation with information about the current state of affairs that they have neglected. The need for change should be justified and the proposed reform methods explained in detail.

To make changes to the organisation, staff needs to be motivated and shaken. Most employees will automatically resist changes that are simply unknown. Therefore, unfreezing is a rather time-consuming process, requiring great skill and patience.

The main task at this stage is to "shake the ship," one must create a company from a state of calmness, encourage, even sooner force employees to take a step towards change.

Unfreezing methods are:

- Creating an artificial collapse. In case the company is conservative, and it is challenging to push for change.
- Implementing task management.
- Reorganising. Disbanding stagnant units, joining them to the department, loyal changes.
- Arguing, giving harsh information that cannot be ignored.
- Training staff in change management training.

## **Stage 2. Changing.**

Kurt Lewin understood that change is not a short-term event, but a process, which he later called the transition process. A transition is an internal movement that takes place in response to a change. This stage occurs as soon as the necessary changes are made. Moreover, this stage is one of the most difficult, because people are not sure about the consequences of the further course of events. At this stage, support is needed, which can be carried out in the form of training, coaching, and mistakes must be perceived as part of the process. Role models and permission to make one's own decisions will help bring change about. It is also necessary for people to maintain a clear picture of the desired changes and the benefits that these changes will bring. At this stage, planned activities are carried out to change the behaviour of employees or departments.

Even if the unfreezing process is successful, this does not mean that the changes will be implemented without difficulties. The most common mistake the experts make at this stage is that after many months of preparation, they expect the changes to be accepted and implemented by themselves.

Methods of Changing are:

- Constantly challenging the staff, setting ambitious goals, offering to surpass previous achievements. Management can encourage the initiative by suggesting finding a solution to certain problems.
- In some cases, changes can and should be made gradually, with barely noticeable steps.
- Simplifying the first step. For example, to start a simple task. Success in a new field requires a positive attitude and helps to adapt.
- Empowerment and responsibilities. Letting employees feel their value through change.
- Taking a break. Introduce changes in parts, recording the results of changes and adjusting the process.
- It is important not to be forgetting to train the staff in the new rules of the game.

### **Stage 3. Refreezing.**

The name of the last stage indicates that it is important to establish stability after the change has occurred. Changes accepted and are the norm. People create new relationships and return to routine business. This can take a significant portion of the time. It is often believed that there is no time for this stage. And this is criticising the model of Kurt Lewin. The need for this stage is not consistent with the modern understanding of change as a constant, often chaotic process, where significant flexibility is required. Thus, the unfreezing process for the next change will be easier. Measures are being taken to strengthen new organisational practices. Neglect of this step may lead to the return of the former conditions and working methods. The organisation team should be convinced of the effectiveness of the new methods, promoting the benefits of the new system (Burnes, 2012).

The results of the refreezing are just as important. The organisation will inevitably slide back to its previous state. Some managers prefer not to rush to freeze, but to simplify

the inevitable defrosting, if new changes are necessary. But such a practice is far from being always appropriate. As has been said, it is human nature to strive for stability. Employees are under constant stress and are hardly effective.

Refreezing methods are:

- Changing the responsible. Innovators who have proven themselves well in the previous stages are unlikely to do well in creating the status quo. Conservative employees are suitable here.
- After a shift in tension, it is important to let employees recover and catch their breath. It is necessary to postpone the choice of new tasks.
- Reminding of what has been achieved. The variables must come true and give positive results.
- Attracting informal leaders. Offer the informal leader a new, more significant position in the new organisational structure.
- Fixing new standards in corporate culture.
- Encouraging behaviour under the new rules and punish relapses of previous processes and mindsets (Cummings, Bridgman and Brown, 2015).

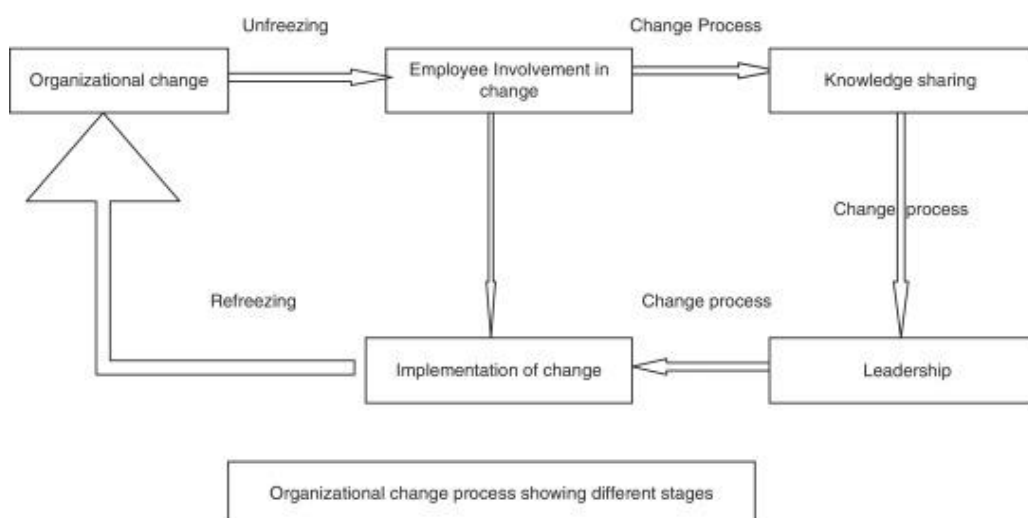


Figure 1. Kurt Lewin's 3 step model of organisational change (Hussain et al., 2018)

Presented in the Figure 1 cycle shows that the process of change by Kurt Lewin is not limited to the 3 steps, but the knowledge gained with the implemented change is transferrable.

Kurt Lewin's model makes it easy and clear to outline the process of change and build on it. However, in the constantly changing environment, this theory should be combined with other approaches.

### 3.2 Theory of reengineering

In 1993, American management specialists M. Hammer and J. Champy (2014) formulated the concept of business reengineering in basic terms. In their view, economic reengineering is a fundamental rethinking and radical redesign of the enterprise and its most important processes. The result is a dramatic (orderly) improvement in the most important quantifiable cost, quality, service and timing metrics. According to this concept, it is a matter of deep reorganisation of the enterprise along the value chain. The process of meeting the customer's needs is also subject to radical reorganisation.

An important prerequisite for achieving such ambitious goals is a focus on the production process and the customer, as well as the creative use of the latest information technology in the workplace of competent employees. New decisions must be consciously implemented in an undemocratic way. The management is concentrated in the hands of the few individuals who are given all the necessary legitimate authority to carry out the planned changes vigorously and in the short term (Motwani, Kumar, Jiang and Youssef, 1998).

Business process reengineering is defined as a fundamental rethinking and radical redesigning of business processes to achieve significant improvements in key performance indicators such as cost, quality, level of service and efficiency (Hammer and Champy, 1993).

Business processes are interrelated types of work performed over a while and lead to certain results. Typically, these processes begin with the identification of requirements

and end with the establishment of relationships with suppliers (Motwani, Kumar, Jiang and Youssef, 1998).

At the heart of any review of the business process is meeting the needs of internal and external customers. It depends on the enterprise strategy that you need to adopt as key processes. But only some of them (for example, new product development, logistics integration, etc.) should be the main focus. Ancillary processes should be optimised, not by themselves, but solely with the needs of key processes in mind.

In a new way, it is necessary to approach the issue of so-called points of intersection.

Particular attention is given to information technology. Its purpose is to fully process customer and manufacturing information. In this case, these are completely new applications, not just about process automation. Thanks to the purposeful use of databases, expert systems, telecommunication networks, it is possible to significantly expand the scope of tasks of employees.

A more sophisticated information base will not produce the desired result if the competence of the staff does not change, taking into account not only organisational (responsibilities, powers), but also purely qualification (capabilities, abilities, skills) parameters. The authors of the concept of economic reengineering in this talk about "authorised" employees who should become "process professionals."

Staff collaboration (for example, in working groups) needs to be radically improved. The employee should have communication tools with any colleague as needed.

Other changes are needed in the field of personnel management. Yes, the new compensation base (remuneration) is especially important. The incentive system should focus primarily on employees' actual abilities, not their past merit (Hammer and Champy, 1993).

Each company re-engages business processes in its way. The "own" approach to conducting business process reengineering often allows the company to significantly improve its "success index". This approach enables the best use of organisational, economic and political factors to assist the company in its desire to take a unique

position in the market, in other words, to position itself and become recognisable to an increasing number of real and potential consumers.

But this requires a deep understanding of the strengths, opportunities, weaknesses and threats inherent in this particular company. Only then can it reasonably extract the quintessence from the results of business process reengineering in it and other industries and successfully apply the solutions that are most appropriate for it. This subtlety is often not taken into account in the techniques offered by some management consultants. When borrowing the results of previous successful and unsuccessful attempts to reengineer business processes, it is very important to gain the most complete (as far as possible) understanding of the specifics of the company for which this borrowing is being made.

Change management must be less based on exaggerated expectations for success and increasingly on facts and evidence. This implies that some business process reengineering programmes should be discontinued before they are implemented. Recently, there has been an increasing awareness of the importance of managing business process reengineering programmes. It is worth emphasising that synchronisation of redesigning and implementation of business processes is a rather difficult task. For example, interventions in the traditionally formed logistics chains (in the field of logistics) or the development of the strategy of the organisation involves high managerial skills (Hammer and Champy, 1993).

Companies that have carefully considered, adequately resourced, and properly implemented business process reengineering programmes can achieve significant results. According to experts, the probability of success of the future business process reengineering programme up to 75% (Aslam et al., 2018). If at least one of the abovementioned three components of success is absent, then the results may differ significantly for the worse than expected.

Filling the gap between theory and practice of business process reengineering is very important, which will be explored in section 4 in more detail.

Thus, business process reengineering is a systematic approach to improving an organisation's performance, designed to optimise the organisation's value system over some time (Hammer and Champy, 1993). Improving the effectiveness of the



organisation, in the long run, should be as much a daily concern for managers as the operational performance of its current work.

People are the most critical resource of any organisation. Without their support and commitment to the interests of the organisation, not even the most prosperous company can survive. Therefore, training and staff training should be as important to the organisation as reengineering its processes.

At the same time, reengineering, as well as any other changes, should be carried out very carefully, taking into account the interests of the people and with the full support of the management. Reengineering teams should be small but should include employees of all levels. In a small business, each employee has his or her daily responsibilities, so the number of priority projects is strictly limited not only during reengineering but also during the day-to-day work of a process-oriented organisation.

The best results are achieved when all employees of the company are involved in the reengineering project as quickly as possible and the results of each important stage are summarized.

The thorough preparation of employees for the transition from their functional tasks to process-oriented is of particular importance. Each of them needs to keep some of their old responsibilities in the new status. It keeps up a supportive climate in the company, as well as a sense of confidence and a willingness to change.

The concept of business process reengineering has many interpretations. Its fields of application are so diverse and unlike each other that even among experts in the field of management there is still no common view. From a corporate point of view, reengineering is certainly a large-scale review of activities based on the modernisation of all work processes and use of the latest information technologies. The mass media often see in this restructuring as a veiled way to carry out massive job cuts - a forced action that the administration is taking to save business (Hammer and Champy, 1993).

If the differences in terminology and scope of the business process reengineering concept are usually overcome, then the companies offering services in this market are different. Almost every consultant promotes their know-how, which in his opinion differs favourably from the competitors' proposals. As a result, techniques and tools change

from project to project and from one consulting firm to another. The lack of uniformity and approved standards is still a major problem in building a sound and consistent theory of business process reengineering.

Also, the reengineering and transformation of businesses run by GE, IBM companies have only been successful because of the organisation leaders (not just one, but tens and hundreds in each) and the tremendous work they have done with staff (Kanter, 1997).

Modern enterprises are still largely based on the principles formulated by Adam Smith in his fundamental work "The Welfare of Nations," published in 1776. He proposed to divide the production process into elementary, simple tasks (work) so that each of them could carry out one work; at the same time, the worker was not required to be highly qualified and able to do the work as a whole, enough to specialise in one or more simple tasks.

This is an easily implemented idea, in connection with which the proposed principles have been and remain very successful in mass production of standard products carried out by a large army of unskilled workers using simple equipment.

The principles formulated by Smith were revolutionary for his time, but do not meet the requirements of the modern industry, since products nowadays should be focused mainly on narrow groups of consumers, performers are well educated, not afraid of responsibility and strive to solve truly complex problems; the market for products has become much wider, and competition and the struggle for consumers have become more aggressive (Blenman, 2020).

The world in which modern entrepreneurs live has changed significantly in recent years:

First, consumers took control of the market. They are much better aware of their market position than at the beginning of the century and of the product choices that they have.

Secondly, products that are adapted to the new expectations and specific needs of a particular consumer and are delivered most suitably at the moment become the most valued and in demand.

Lastly, the methods of technology and manufacturing have developed in the past years greatly, especially – information. Information technology is not only the base of many other important technologies but also how information is offered to the consumer.

Even though the changes affected the business environment greatly, many companies still hold on to their old and somewhat outdated ways of conducting business and internal management. Therefore, it is necessary to rethink the ways of organising business and use a fundamentally different approach, which will fully realise the advantages of new technologies and human resources. This approach is the basis of business engineering (business processes), the most important area of which is reengineering, or the restructuring of existing companies.

Business process reengineering is used when it is necessary to make an informed decision on business reorganisation: radical transformations, business restructuring, replacing existing management structures with new ones, etc. An enterprise striving to survive or improve its market position must constantly improve production technologies and ways of organising business processes (Hammer and Champy, 1993).

To do this, resorting to consulting, which is based on experience, the judgments of specialists, ready-made proven solutions, analogies, heuristic evaluations, and comparison of opinions. But you can use the alternative path, which is engineering. This approach guarantees the achievement of the result, subject to the rules and methods of using reengineering tools, it allows you to control the completeness of the implementation of the proposed solutions and evaluate their quality. This approach is based on the concept and methods of reengineering business processes.

### 3.3 Nadler-Tushman model

Planning and implementing changes mean for the organisation the movement from its current situation to some desired state in the future. The first step on the path to change is to diagnose the need for change.

To diagnose changes, the Nadler-Tushman model can be used, which defines critically interconnected and interdependent areas of an organisation with respect to proposed changes. Given model takes into account that the organisation is in interaction with the environment, and within the organisation, there are four interconnected components: tasks, organisational structure, culture and people working in it (staff) (Fig.2). (Nadler and Tushman, 1980).

### *Components of the Congruence Model*

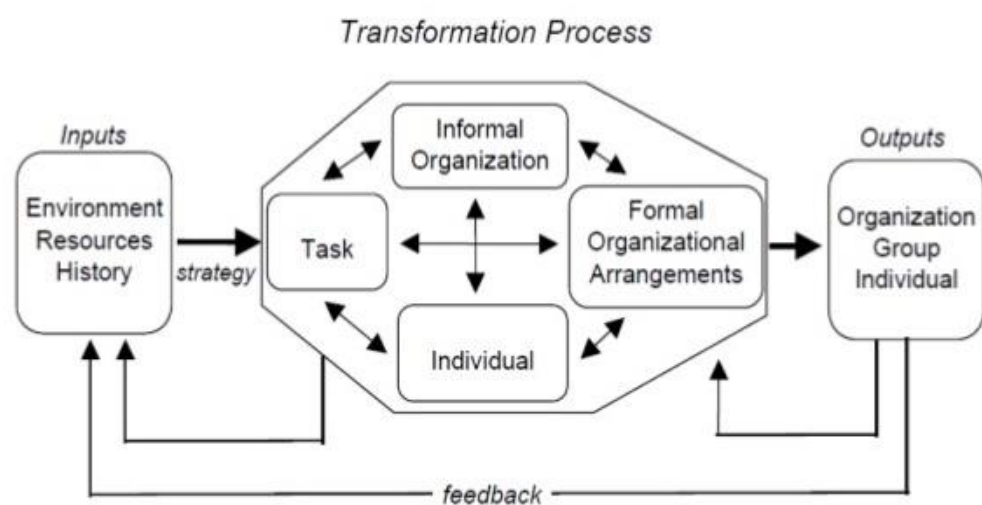


Figure 2. Components of the Nadler-Tushman change model (Tushman and Nadler, 1980).

Tasks are the main part of the organisational system. They include the types of work that must be performed, the characteristics of the work itself, the quantity and quality of goods that the organisation produces, as well as the services it provides.

Organisational structures include lines of accountability, information systems, control mechanisms, job descriptions, formal pay systems, meeting structures, etc.

Organisational culture is values, rituals, sources of power, norms, informal procedures that influence how the work is done in the organisation. People bring their diverse skills, knowledge and experience, various personal qualities, values and behaviour.

Consumption is the external environment, resources and strategy. The product is an individual, team or organisational activity (Tushman and Nadler, 1986).

The four internal elements of the organisation are in a state of dynamic equilibrium with each other and with the environment. It follows from the model that a change in one of these elements necessarily entails a change in the others.

Regarding these elements, it is necessary to determine not only the target (desired) and current state but also the areas of shared and inseparable vision, that is, the image of the future, with which most key employees who are affected by this problem agree. It is necessary to consider the key factors of the external environment that can significantly affect the organisation and this change. Also, the authors of this model emphasised the key role of a leader in change management, which plays a decisive role in shaping a shared vision of the future, a true systematic assessment of the unacceptable current state and how to transform it (Tushman and Nadler, 1986).

#### 3.4 Kotter's change model

Kotter's change model is the concept of eight steps is an indispensable tool for developing managerial skills.

There is nothing more exciting, dangerous and complicated than making changes in a company. Stirring up an inert mass of employees, lighting a fire of change in their hearts, leading them through periods of frightening suspense – all of that drives managers and leaders to create better conditions for employees. This is the key skill of the manager, requiring knowledge, experience, charisma and intuition, as well as knowledge of the eight steps that must be taken to climb to the top passed through the optimal route.

Although Kotter's theory is just a theory and does not guarantee inevitable success, at the moment it is the most accurate and perfect description of the steps necessary for the successful implementation of changes (Appelbaum et al, 2012).

The steps are as follows (Potter and Potter, 2015, Aldemir, 2010):

**Step 1. Establishing a sense of urgency**

The first and perhaps the most serious change on the path to change is the inertia of staff. If employees are satisfied with the current state of affairs, it is almost impossible to convince them that something needs to be changed. To achieve this understanding, remarkable managerial skills are required. Such calm can be a consequence of the fact that the crisis has not yet begun to make itself clear. Its signs at the initial stage can only be distinguished by an experienced analyst.

Therefore, stirring up staff mesmerised by the illusion of well-being is not easy. Kotter offers the following methods here:

1. Setting higher expectations for the work of employees.
2. Review of mechanisms for measuring employee performance.
3. Stimulating collective discussion of problems. (Leading Change (Step 1): Creating a Sense of Urgency, 2020)

**Step 2. Creating the guiding coalition**

A change promotion team should be formed in the very early phases of organisational change. To do this, it is necessary to identify employees who are most loyal to changes, having managerial skills and a similar vision for the future. (Potter and Potter, 2015)

**Step 3. Developing a vision and strategy**

Clarification of perspective means not just a certain idea of the future, but also a detailed justification of the importance and beneficial effects of change.

1. A clear vision of the prospect allows you to quickly make hundreds of intermediate decisions, which, if there were no vision, would have taken an unreasonably long time.
2. Vision alleviates the suffering of employees in the initial stages, energising them to thrive for the ultimate goal.

3. Vision significantly increases the performance of employees, simplifying their coordination. (Kotter's 8-Step Change Model: Implementing Change Powerfully and Successfully, 2020)

#### **Step 4.** Communicating the change vision

Rules to follow were identified:

1. Involvement of metaphors, comparisons, symbols. A vivid image is much stronger than a simple description.
2. Involvement of all possible methods of agitation: meetings, articles on the company's website, discussions at various events.
3. Constant repetition. New concepts are deposited in the mind better if they are heard many times in a row. Also, this technique works hypnotically, easing the fear of the unknown.
4. Leading by example. This is the manager's main skill. The leader must start with himself. Only personally demonstrating readiness for change can you count on the support of the team. Conversely, contrary to the ideas of change, the leader levels all other campaigning efforts.
5. From the previous paragraph it follows that if the actions of the leader may seem inconsistent with the stated ideas, they should be immediately interpreted.
6. Stimulating dialogue between superiors and subordinates. Dialogue is much more effective than simply accepting information (Kotter's 8-Step Change Model: Implementing Change Powerfully and Successfully, 2020).

#### **Step 5.** Empowering broad-based change

1. Reorganising the structure of the company according to the new paradigm.
2. Providing for a training mechanism: employees lacking the required competencies are not able to participate in the changes.
3. Reforming the mechanisms for attracting and distributing personnel in accordance with new tasks.

4. Taking action against superiors who apply their managerial skills to resist change. Nothing so demotivates as a retrograde leader (Kotter's 8-Step Change Model: Implementing Change Powerfully and Successfully, 2020).

#### **Step 6.** Creating short-term goals

To convince doubting employees, who are initially much larger than enthusiasts, it is critical to demonstrate at least small achievements as quickly as possible. Nothing convinces people on the benefits of change as much as concrete positive results. Also, it is important to recognise and reward those achieving the goals. Moreover, it is very risky to initiate changes if you do not immediately demonstrate positive changes. (Porter and Porter, 2015)

#### **Step 7.** Build on the change

It's not enough to change part of the system. It is necessary to change it all. Therefore, the process of change may require additional activation of managerial skills and stretch for years. This is the longest phase of transformation. The features are as follows:

1. The management team, inspired by the first victories, decides on even more ambitious transformations.
2. New people are actively involved in the changes, having advanced managerial skills, who are appointed to responsible positions with extended powers.
3. Managers of new projects are managers who are subordinate to higher authorities.
4. To simplify change, managers eliminate the unnecessary interdependence of units (Porter and Porter, 2015, Kotter's 8-Step Change Model: Implementing Change Powerfully and Successfully, 2020).

#### **Step 8.** Anchoring the changes in corporate culture.

No matter how successful the changes are, they will come to fade if they are not consolidated in the corporate culture. For this, it is necessary to formalise norms of



behaviour, form a relationship between achievements and remuneration, and provide conditions for the formation of new staff competencies. In general, each employee should be aware of the goals of the company, as well as how he can contribute to their achievement, receiving well-deserved compensation and growth for this (Porter and Porter, 2015).

### 3.5 Learning organisation

Argyris conducted his most significant research with Donald Schon. They co-authored *Theory in Practice*, 1994, and *Organisational Learning*, 1978. Argyris and Schon proposed two basic models of organisations. The first is based on the assumption that we seek to manipulate the world and change it in accordance with personal aspirations and desires. Leaders acting on this model are busy achieving personal goals. They stand apart and do not show concern and disagreement. A conspiracy of silence arises when no one dares to raise their heads, taking it for granted.

The defence is the main type of response in an organisation built according to the first model, and, as it is well known, the best way to protect is to attack. Managers operating in this way are ready to change others but resist any attempt to change their own thinking and work style. Organisations of this kind are characterised by what Argyris and Schon called the “single learning loop” (“identifying and correcting organisational mistakes allows the organisation to implement its current policy and solve its goals”) (Double Loop Learning in Organisations, 2020).

The second model, unlike the first, is based on a “double-loop”, which allows, according to Argyris and Schon, to identify and correct organisational errors, modifying the situation that gave rise to them. In organisations operating according to the second model, managers pay special attention to information. They discuss problems, respond to changes, learn from others. An effective cycle of learning and understanding arises. While a single learning loop is proven to be quite successful for many organisations, the double-loop technique can be quite difficult to integrate (Double Loop Learning in Organisations, 2020).

“Any company that wants to succeed in the dangerous business environment of the 1990s. First of all, I must solve the main dilemma for myself: market success is

increasingly dependent on training, but most people do not know how to learn. In addition, members of the organisation who, by all accounts, should learn best, are not encouraged by special achievements in this area," he writes in an article published in the 1991 Harvard Business Review (Argyris, 1977).

Argyris (1977) defines organisational learning as the process of "identifying and correcting errors." In his opinion, organisations are trained through individuals acting as agents: "The activity of individuals aimed at learning, in turn, is generated by the influence of environmental factors, the totality of which can be called a learning organisational system."

A special place in the theory of organisational development is occupied by the concept of organisational training developed by Argyris, Schon, and then developed by Senge. Organisational training is the adaptation of an organisation to changing environmental conditions and problematic situations through the receipt and processing of information necessary for the development and adoption of optimal decisions.

Argyris defines organisational learning as the process of identifying and correcting errors. In his opinion, organisations are trained through individuals acting as agents: the activity of individuals aimed at learning, in turn, is generated by the influence of environmental factors, the totality of which can be called a learning organisational system (Argyris, 1976).

Chris Argyris and Donald Schon identified three types of organisational learning. Training with the type of "single cycle" or "single loop" occurs when training allows you to detect and correct errors. Within the framework of such training, the organisation learns to better achieve its goals, while changing organisational norms is not required. The second level is learning to learn how to learn, the so-called "double-cycle" or "double-loop", i.e. single loop training (Argyris, 1976). This level requires changes in organisational policies and organisational norms. The third type of organisational learning takes place when the organisation conducts a study of the training system and performs a search, as well as error correction. In this case, learning is defined as "triple learning" (Tosey, Visser and Saunders, 2011).

A learning organisation is an organisation where one can't help but study because learning is woven into everyday operations. Senge also defines a learning organisation

as a group of people constantly developing their ability to create what they want to create (Yeo, 2005). One can define a learning organisation as an organisation in which the philosophy of forecasting, reacting, and responding to changes, the complexity and uncertainty of the organisational environment, is implanted. The speed with which an organisation learns can be the only competitive advantage held (Garvin, 1993).

Characteristics of the learning organisation can be defined as:

1. A learning approach to strategy development.
2. A participatory management policy (empowered workers).
3. Informational transparency.
4. Accounting and control systems of the organisation as a tool for analysis, training and improvement.
5. Internal exchange of services between units with the ability to act at their discretion.
6. Flexible reward mechanisms.
7. Flexible, "enabling" structure. Units and other "borders" are seen rather as a temporary structure, which can be changed if necessary. Positions and roles are defined in such a way as to create conditions for experimentation and growth.

### **Learning Organisation Elements**

1. Constant "scanning" of the environment.
2. Joint projects of the organisation and related groups.
3. A climate conducive to learning.
4. The constant self-development of each employee.

Failure to learn will not allow the company to deal with its problems, which will result in reduced efficiency and competitiveness.

Most companies die prematurely due to the inability to learn. They are unable to adapt to changes in the external environment. At the same time, some companies exist for many decades, and the reason for such longevity is precisely the ability to develop, change and achieve new goals.

#### **4 Example Company X**

Organisational development is a constant purposeful change in the management and functioning of the organisation.

Every organisation exists in a changing environment and inevitably also changes continuously. Therefore, organisations with a bureaucratic, inflexible system are usually ineffective. It is difficult for organisations that are characterised by a rigid hierarchy, a high degree of professional specialisation, a limited range of tasks for each employee, rigid rules and procedures, and management without personal responsibility to respond adequately to changes in the environment. The organisation structure needs to be flexible and easily adaptable to change. The organisation's system should, on the one hand, imply a high level of responsibility of its employees, and on the other - the opportunity to take the initiative and the organisations should take full advantage of their abilities.

Changing an organisation is not easy and costly. However, many organisations successfully overcome this barrier. Organisations with flexible structures that are easy to adapt to innovation have significant advantages over organisations whose structures are rigid and non-dynamic. Successful organisations see their main problem as having to manage to keep up with the changes. This has led to the emergence of even a special terminology of the problem.

Modern time is a time of great change that has affected not only industrialised societies, but also developing ones, and this, in turn, has a profound effect on the organisations in which they operate. Many of them had to change their ways of doing things significantly, and sometimes radically.

Today, there is an increase in international competition, which has already gained unprecedented proportions. Moreover, international or transnational corporations have a significant impact on the world economy. The emergence of world-class corporations is forcing national associations to bring about changes that would allow them to conduct their operations in compliance with international standards. Nowadays, the world market covers most of the goods that are manufactured and services that are provided, but often to withstand competition, firms have to change their culture, structure and way of doing business accordingly.

#### 4.1 Background

Abovementioned brings us to an example of Company X. It is a 10-year-old start-up in the software industry developing a knowledge management platform that has been leading in the given industry for several years now.

Structure of the Company X is as follows:

- General and Administration

Department dealing with the day-to-day business consists of legal, finance, human resources, higher management.

- Marketing and Sales Operations

Responsible for landing new clients, upselling the product, keeping up the company image. Marketing frequently holds seminars to promote the company brand.

- Service

Business consulting plays a huge role in the functioning of the company. Once the software is sold, the client gets assigned a service team that will be leading, implementing and supporting the product for them. Leading the client entails constant customer support, maintaining the platform, implementation of best practices, advising on how to drive usage on the platform, how to improve functionalities, offering new features that could be useful to the client, providing reporting etc. Often, clients report

issues that occurred on their mandator and the service team should follow up on those with the developer teams to resolve it as quick as possible. It is especially important for customer satisfaction.

- Product and Technology

Since it is a software company, the most substantial department is engineering and technology, where the product is planned, developed and maintained, and where all of the occurring issues (bugs) should be resolved. Also, all the technological and technical side of the product is supported, for example, keeping up the servers and all of the operational maintenance.

When the old version of the software was deemed as outdated and not up to the standards of the competitive market, management decided that it was time for the upgrade. Such a decision required new investments, redistribution of the workload and staffing, implementation of new processes and redesign of the business structure for it to be sustainable.

Any company in its functioning should not just engage in any kind of activity, but develop, introduce new technologies, programmes and development mechanisms, develop a system of upcoming changes. And that was what Company X was occupied with. The new platform was aimed to present new user experience, be easier to use and introduce more beneficial features for the knowledge management for the clients.

As the workload increased with the developing of the new version of the platform and maintaining the old one, and the needs of the staff were overlooked, management continued to make promises to both new (to land fresh accounts) and existing (to interest them in switching to the new version of the software) clients and the employees. Company X was landing new accounts by promising innovation and an improved product. However, it was not the case. The platform was still in the development phase and the engineering department had unrealistic deadlines to meet that were overlapping with the ongoing issues of the old platform.

In the chase for innovation and keeping up the leading positions on the market, management of Company X was neglecting its employees, which led to enormous

employee dissatisfaction and a quitting spree and overlooking processes, which lead to switching in priorities.

## 4.2 Situation analysis

All of the abovementioned called for a change management introduction to restructure departments to create more efficiency and a clear overview of the processes. Company X invited an external consultant for expert judgement on what needs to be done. A set of changes was implemented and are still ongoing because the dynamic that had been building for years cannot be undone overnight.

However, even though there was a clear linear structure within the organisation, the decisions made, and actions taken were not sustainable in the long run for the business. The internal structure required transformation, processes were needed to be changed and certain policies were required to be put in place. Even though the need for change was evident and clear, the process could be hindered by the resistance of the staff. The reasons for it are different: the uncertainty of the future, the lack of information about upcoming changes, the uncertainty of employees in their abilities, as well as such built-in elements as traditions and norms that have existed in the organisation for more than one year. So, change management should be done with an extremely far-sighted approach and planning.

With the external guidance and internal initiatives from the unsatisfied employees the implementation of change management started.

The application of all the theories that were discussed in the thesis can be observed in the given case study.

### 4.2.1 Reengineering

Reengineering is defined as a fundamental rethinking and radical redesign of business processes to achieve significant improvements in key performance indicators for modern business such as costs, quality, level of service and efficiency. Reengineering is just one of the areas of restructuring. Company X is in a transition to a process-oriented approach to management, in which a system of interconnected business

processes is used to manage activities and resources, redesign existing ones and create new business processes.

#### 4.2.2 Nadler-Tushman model

Nadler-Tushman model was used to diagnose the interconnected areas that required change. The analysis of the influential factors of the internal and external environment was carried out, the causes of problem situations were identified, the diagnosis of changes was initiated. That was the stage at which the current and desired state was compared. Diagnostics of changes allowed to determine the criteria for evaluating the effectiveness of different programmes, evaluating the constraining and driving forces of changes, determining the pace of ongoing reforms, and choosing a strategy for implementing changes. The issue in the Company X was the lack of set processes, communication and incoherent management approaches which led to the inability to deliver the product and dissatisfaction.

Actions that are implemented in phases allow staff to learn with the changes easier, recognise their need, more positively evaluate new ideas, and management to maintain agreement in the organisation and to overcome resistance.

#### 4.2.3 Lewin's theory

The change programme includes the following steps by Lewin's theory: Unfreezing, Change and Refreezing. After which comes the assessment of changes.

At the stage of unfreezing, people were preparing to make changes in the organisation, full information about the changes was being communicated to employees. It was important to recognise the past merits of the participants in the changes and give people time to get used to the idea of change. As part of the unfreezing phase, the following actions will be taken during the organisational restructuring:

Conducting a corporate meeting at which employees of the enterprise and managers were informed about the problems the company has, the reasons for their occurrence and the need for changes.



As part of the implementation of the strategy, training and providing information to human resources was proposed to independently develop a plan for personal development and retraining based on existing knowledge and experience. Based on this plan, a further training programme will be developed in the future. The CEO must acknowledge the faults and goals and encourage the staff to actively participate in the implementation of the changes.

At the second stage, a detailed step-by-step plan of changes was drawn up, the timeline, the expected results were determined. Making changes to the organisational structure of the enterprise requires significant time and resources, so the period for the change implementation will be around a year to year and a half. As a result of the reformations, the problem of miscommunications, unclear processes and product management should be solved.

The next stage is refreezing the organisational paradigm, consolidating the results. It is believed that changes have taken place if a return to the previous dynamic is not possible without prior preparation. At this stage, a corporate meeting should be held again, at which employees are informed of the completion of the changes. To evaluate the result of changes after their implementation and adjust the programme of changes at the planning and preparation stage (unfreezing), criteria for evaluating the effectiveness of changes are developed. After assessing the effectiveness of the changes, the CEO informs the employees about the results of the change programme and recognises everyone's efforts.

#### 4.2.4 Kotter's model

Employees do not always perceive change as something positive. However, they are important when it comes to implementing change. Following an 8-step Kotter's model helped Company X succeed in implementing change. The first three steps of the 8-stage Kotter model are dedicated to creating the right climate for change, steps 4 through 6 link the changes to the organisation. Steps 7 and 8 are aimed at implementing and consolidating the changes.

The given sequence is based on the most common mistakes made by companies in the process of introducing organisational changes. Each of these steps reflects a solution to some problem that the organisation is facing in the process of change.

Undoubtedly, the list of possible errors is not limited to these stages of the sequence. Depending on the changes introduced and the specifics of the activity, the organisation is faced with the specific difficulties of this process. However, it is the systematic approach to introducing changes and focusing on the presented sequence of actions that allows the company to avoid the most common mistakes and take into account the largest number of aspects important for transformations that allow for the effective implementation of organisational changes.

#### 4.2.5 Learning organisation

One of the important factors for increasing the competitiveness and effectiveness of an organisation is its learning ability. While conducting all the changes in the company, many various approaches had to be transformed that included the organisational learning is a set of coordinated efforts by which the organisation and its staff learn, develop to increase productivity in managing their development and the functioning of the organisation.

For Company X the development and exploitation of core skills through organisational learning is an important and key factor in a competitive advantage they want to achieve. As defined earlier, it is believed that the speed at which an organisation learns might be the only competitive advantage.

The essence of organisational training is not only to improve the skills of employees but also to build capacity, flexibility, adaptability, variability. Organisational learning played an important role in the process of Company X. Organisational training helped them to be able to thrive for development and achieve their goals to become more sustainable in conducting their business.

The key to a successful implementation of the programme of changes is not only a detailed study of the plan but also in the preparation of a phased schedule for the implementation of changes.

### 4.3 Outcome

The benefits of successful change management in the organisation are significant. To manage larger, more ambitious change initiatives, chances of cultural and organisational challenges increase. The overall success may depend on the ability to actively identify and solve these problems.

Organisational changes have existed since the emergence of organisations since any organizational activity is dynamic, adaptive and requires the introduction of changes. An analysis of the process of introducing organizational change was carried out by specialists. The process of introducing changes is complex and contains many different subtleties and features, but an abandonment of any stages may lead to the fact that the company does not achieve the planned result of the changes.

Company X realised the need in implementing change management techniques after thorough analysis of the faults and mismanagement. With developing new product, old dynamic had to be changed to be able to adjust to the competitive market and conduct the business in a sustainable way. Involvement of the external consultant benefited the company greatly to integrate a new dynamic with a systematic approach and thorough planning.

After adhering to the given advice and shifting to new ways of working, the company struggled with breaking out from the previous long-standing dynamic that was so engrained into the culture. The management continued to underline the benefits that the change would bring and enforce employee satisfaction with clear communication of the goals at stake. Eventually, approximately about a year, it felt clearer on how the company dynamic had shifted for the better. Processes were in line, employee satisfaction went up, management continued to communicate clear advancements that were made. That, in turn, brought developments with the product and attracted more investors.

It is evident that implementation of said changes was only successful due to their combination and thorough planning. That built and somewhat restored shaken confidence of the employees and enforced enthusiasm and application of changes. After the assessment of changes, business processes and management approaches were confirmed to be more sustainable.

## 5 Conclusion

Effective change management is a complex and necessary management task. The complexity of transformations necessitates timely and comprehensive changes in activity enterprises - in the technologies used, in management methods, in the requirements for the competence of specialists, in the forms of interaction with the external environment (Ha, 2014).

Effective implementation of changes at the enterprise as viewed in the example of Company X depends a lot on the subject management is ready for an orderly process of implementation of the planned changes. The outline of the change management process was developed based on research publications on this particular issue and each step of the process is characterised. Research has shown that a step-by-step implementation of the change management process will lead to a positive outcome, which in turn will allow businesses to be sustainable and to respond promptly to changing circumstances environmental conditions, to increase its competitiveness.

In a fast-paced, turbulent environment, modern organisations have to constantly transform. Most often, these changes are made reactively, which often leads to a loss of competitive advantage and sometimes to the death of organisations. Proactive implementation of change requires knowledge of the basic laws of this process, sources of resistance to organisational change and methods of overcoming them.

Organisational change is the process of transitioning the system to a qualitatively different state in accordance with the vision of a desirable future. They are usually related to the transformation of the business strategy, such as entering new markets, mergers and acquisitions of other companies. Organisational changes are aimed at improving management efficiency (Cameron and Green, 2009).

Economic reengineering is a fundamental rethinking and radical redesign of an enterprise and its most important processes. The result is a drastic improvement in the most important quantifiable cost, quality, service and timing metrics. According to this concept, it is a matter of deep reorganisation of the enterprise along the value chain. The process of meeting the customer's needs is also subject to radical reorganisation. Business process reengineering is a systematic approach to improving an

organisation's performance, designed to optimise the organisation's value system over a period of time.

Organisational development means the concept of planning, initiating and implementing processes for changing social systems with the involvement of a wide range of participants.

Organisational development is defined as a long-term, thorough, comprehensive process of change and development of the organisation and its people. The process is based on the training of all employees through direct interaction and transfer of practical experience. The goal of change is to increase both organisational productivity and quality of work (Cameron and Green, 2009).

Smooth implementation of changes in the conditions of cooperation of the whole team is an exception rather than a rule. Under the resistance to change are any actions of employees aimed at counteracting changes in the organisation. Resistance bearers are employees who are afraid of change, they are afraid of being changed. Methods to overcome resistance have a great influence on the extent to which management can eliminate resistance to change. The set of these methods is different - from soft (indirect influence on employees) to hard (coercion). They should be used after the analysis of the situation in the organisation, taking into account the goals, objectives, deadlines, nature of changes, the formed balance of forces.

Developing a change implementation plan, as well as implementing the changes themselves, is not an easy task. Inevitably, there will be resistance from staff, especially if the internal environment is already volatile, which, at best, can delay the timing of changes.

It is quite difficult for companies to overcome such problems on their own. To do this, the company must have extensive experience in the field of change management and relevant resources. As a rule, independent consultants are invited to implement reengineering projects and other changes as we observed in the case of the Company X. Consultants develop an action plan, directly participate in their implementation, prepare an implementation review, accompany certain key events, etc.

The form and degree of participation of consultants depend on the nature of the changes being introduced, the client's corporate culture, and the client's experience in such work.

In the process, the client and the consultant jointly develop a project management mechanism, an interaction procedure, procedures for informing about the progress of the project, and train managers, working groups, and line staff throughout the project. The consultants conduct active explanatory work, convince staff of the need for changes, and participate in the formation of the training programme. As a result, the planned changes are effectively implemented, a working group from among the representatives of the enterprise gains experience in managing change and the ability to independently develop and deepen the improvement process.

The theories reviewed in this paper and discussion of their applicability in the case with Company X, show that they play a substantial role in the rethinking and transforming the organisation's business to better coordinate the activities of its functional parts and increase their flexibility. Redesigning of business processes under the guidance of given theories may be accompanied by the emergence of new centres of responsibility and business processes. It is necessary to revise the management structure, basic management functions and rethink existing dynamics. It may also require rethinking the areas of responsibility and the rights of their leaders, and in some cases, there is a need to eliminate the old ones and create new services or departments. Although the benefits outweigh the negatives, it is crucial to keep in check the everchanging conditions of the company so that the implemented changes do not harm the internal environment and employee motivations along with the external factors that might be affecting the situation as well.

Even though, all of the models and theories discussed in this paper have proven to be successful in integrating change, implementation of such change management techniques is proven to be beneficial to a company and accelerate business sustainability when done systematically and when all of the variables are taken into account. Application of a single methodology does not guarantee a success, but integration and combination of several techniques can lead to a thriving sustainable business.

## References

Aldemir, E. (2010). *Models and Tools of Change Management: Kotter's 8 Steps Change Model*.

Appelbaum, S., Habashy, S., Malo, J. and Shafiq, H. (2012), *Back to the future: revisiting Kotter's 1996 change model*, *Journal of Management Development*, Vol. 31 No. 8, pp. 764-782

Aras, P. G., Aras, G., Crowther, D. (2012). *Business Strategy and Sustainability*. Emerald.

Argyris, C. (1976). *Single-Loop and Double-Loop Models in Research on Decision Making*. *Administrative Science Quarterly*, 21(3), p.363.

Argyris, C. (1977). *Double Loop Learning In Organisations*. [online] Harvard Business Review. Available at: <<https://hbr.org/1977/09/double-loop-learning-in-organisations>>[Accessed 21 April 2020].

Aslam, U., Muqadas, F., Imran, M. and Saboor, A. (2018), *Emerging organisational parameters and their roles in implementation of organisational change*, *Journal of Organisational Change Management*, Vol. 31 No. 5, pp. 1084-1104.

Blenman, J., (2020). *Adam Smith And "The Wealth Of Nations"*. [online] Investopedia. Available at: <<https://www.investopedia.com/updates/adam-smith-wealth-of-nations/>>[Accessed 30 April 2020].

Blewitt, J. (2008). *Understanding Sustainable Development*. Earthscan Publications Ltd.

BMC Blogs. (2020). *Lewin's 3 Stage Model Of Change Explained*. [online] Available at: <<https://www.bmc.com/blogs/lewin-three-stage-model-change/>> [Accessed 25 April 2020].

Burnes, B. and Cooke, B. (2012). Kurt Lewin's Field Theory: A Review and Re-evaluation. *International Journal of Management Reviews*.

Cameron, E., Green, M. (2009). *Making Sense Of Change Management.*, Kogan Page, 2nd ed.

Camilleri, M. (2017). *Corporate Sustainability, Social Responsibility And Environmental Management.* Springer International Publishing.

Cummings, S., Bridgman, T. and Brown, K. (2015). Unfreezing change as three steps: Rethinking Kurt Lewin's legacy for change management. *Human Relations*, 69(1), pp.33-60.

Garvin, D. (1993). *Building A Learning Organization.* [online] Harvard Business Review. Available at: <<https://hbr.org/1993/07/building-a-learning-organization>> [Accessed 18 April 2020].

Greiner, L. and Metzger, R. (1983). *Consulting To Management.* Prentice Hall.

Ha, H. (2014), *Change Management for Sustainability*, Business Expert Press, New York.

Hammer, M., Champy, J., (1993). *Reengineering the corporation: a manifesto for business revolution.* New York, NY, HarperBusiness.

Kanter, R. M. (1997). *Rosabeth Moss Kanter on the Frontiers of Management.* Boston: Harvard Business School Press.

Lewin, K. and Cartwright, D., (1964). *Field Theory In Social Science.* New York, Evanston and London: Harper & Row.

Mindtools.com. (2020). *Kotter's 8-Step Change Model: Implementing Change Powerfully And Successfully.* [online] Available at: <[https://www.mindtools.com/pages/article/newPPM\\_82.htm](https://www.mindtools.com/pages/article/newPPM_82.htm)> [Accessed 7 April 2020].

Motwani, J., Kumar, A., Jiang, J. and Youssef, M. (1998). *Business process reengineering.* International Journal of Operations & Production Management, 18(9/10), pp.964-977.



Nadler, D. and Tushman, M. (1980). *A model for diagnosing organizational behavior*. *Organizational Dynamics*, 9(2), pp.35-51.

Newman, J., (2007). *An Organisational Change Management Framework for Sustainability*. *Greener Management International*, (57), 65-75.

Pollack, J. and Pollack, R. (2014). *Using Kotter's Eight Stage Process to Manage an Organisational Change Program: Presentation and Practice*. *Systemic Practice and Action Research*, 28(1), pp.51-66.

Smith, M. K. (2001, 2013). *Chris Argyris: theories of action, double-loop learning and organizational learning*, *The encyclopedia of pedagogy and informal education*. <<https://infed.org/mobi/chris-argyris-theories-of-action-double-loop-learning-and-organizational-learning/>> [Accessed 25 April 2020].

Tosey, P., Visser, M., Saunders, M. (2011). *The origins and conceptualizations of 'triple-loop' learning: A critical review*. *Management Learning*, 43(3), pp.291-307.

Tushman, M., Nadler, D. (1986). *Organising for Innovation*. *California Management Review*, 28(3), 74–92.

Yeo, R. (2005), *Revisiting the roots of learning organisation: A synthesis of the learning organisation literature*, *The Learning Organisation*, 12(4), pp. 368-382.

### Figure references

Hussain, S., Lei, S., Akram, T., Haider, M., Hussain, S. and Ali, M. (2018). *Kurt Lewin's change model: A critical review of the role of leadership and employee involvement in organizational change*. *Journal of Innovation & Knowledge*, 3(3), pp.123-127.

Nadler, D. and Tushman, M. (1980). *A model for diagnosing organizational behavior*. *Organizational Dynamics*, 9(2), pp.35-51.

