

Unit BR7: Change Management

Unit code: M/503/7273

QCF level: 6

Credit value: 15

Aim

This unit aims to give learner understanding of the management of change in organisations and the skills to engage in the process of proposing change in an organisational context.

Unit abstract

All organisations are in a state of flux, changing their focuses, expanding or contracting their activities and rethinking their products and services. Many established organisations often look nothing like they did five years ago and it is highly likely that over the next five years, organisations will not look as they do today. Learners will understand that organisational change is often provoked by some major external driving force such as substantial cuts in funding or competition from emerging nations such as China or India. Typically, organisations must undertake organisation-wide change to evolve to a different level in their life cycle.

Learners will discover that successful organisations respond intelligently to regional, national and global factors which precipitate change. Economic climates, political trends, changes in consumer demands, management policy or structure, employment levels and financial resources – all these elements are constantly at play.

Although the unit is underpinned by an exploration of the relevant theoretical models, the intention is that learners will apply their learning to specific organisations. This will then enable them to identify issues that require change and to use appropriate tools and techniques to develop a model for change in an organisation.

Learners will understand that managers have to be able to introduce and manage change to ensure that the organisational objectives of change are met. They will learn that managers have to ensure that they gain the commitment of their people and that this may involve managing resistance to change, both during and after implementation. Often, at the same time, they also have to ensure that business continues as usual.

Learning outcomes

On successful completion of this unit a learner will:

- 1 understand the background to change management in organisations
- 2 understand issues relating to change in organisations
- 3 be able to present proposals for change in an organisation
- 4 be able to prepare to manage the change process.

Unit content

1 Understand the significance of theoretical models of change management

Models: Kotter; Kübler-Ross; Prosci – ADKAR (awareness, desire, knowledge, ability, reinforcement) model; McKinsey's 7S (strategy, structure, systems, shared values, skills, style, staff) framework; Kurt Lewin's change management model; Burke-Litwin's causal change model; action research; gap analysis

2 Understand issues relating to change in an organisation

Need for change: reasons; changes in markets, economic downturns, customer expectations, competitive edge, budget pressures, legislation, size, demographics, mergers, acquisitions, change in mission, restructuring operations, new technologies, major collaborations, rightsizing, new programmes such as Total Quality Management (TQM), re-engineering

Factors driving change: change drivers; economics; political; environmental; financial; new/loss of markets; technological advances; new chief executive; funding cuts; be competitive; mergers; acquisitions

Factors hindering change: structural inertia; existing power structures; employee attitudes; communication barriers; embedded values; exclusion from the change process; process failures

3 Be able to present proposals for change in an organisation

Areas for change: restructuring functional areas; organisation structures; technological change; change of mission, downsizing, rightsizing

Models for change: planned versus unplanned; incremental/slow/gradual change/transformational/radical/fundamental/easy/difficult change; light/medium/ complex models; project management processes

Resource requirements: human resources, eg restructuring, interviewing and hiring, redundancies, training; physical resources, eg equipment, vehicles, buildings; financial resources, eg costs of training, redundancy costs, relocation costs; new building, refurbishment of existing buildings

4 Be able to prepare to manage the change process

Measures to monitor and evaluate change: action planning; flow diagrams; task analysis, standards; performance tolerance; agreeing timescales; setting and measuring outcomes; measuring input/output; feedback processes/systems; control loops; target revision; regular and exception reporting; surveys and interviews; iterative processes; formal and informal knowledge channels; quantitative and qualitative measures; 80/20 rule; disseminating awareness; sustainability; records/data; strengths and weaknesses; indicators of efficiency and effectiveness; qualitative and quantitative analysis; review and evaluate progress; make recommendations

Strategies for overcoming resistance to change: education and communication; participation and involvement; negotiation and agreement; manipulation and co-option; implicit and explicit coercion; push-pull principle; exchange principle

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the background to change management in organisations	1.1 Discuss models of change management 1.2 Evaluate the relevance of models of change management to selected organisations in the current economy
LO2 Understand issues relating to change in organisations	2.1 Examine the need for change in an organisation 2.2 Critically evaluate factors that are driving the need for change in selected organisations 2.3 Explain issues which hinder the process of change
LO3 Be able to present proposals for change in an organisation	3.1 Identify an area for change in an organisation 3.2 Develop an appropriate model for change in an organisation 3.3 Plan a model for implementing change in an organisation 3.4 Examine the resource requirements for implementing change in an organisation 3.5 Present a proposal for change to relevant stakeholders in an organisation
LO4 Be able to prepare to manage the change process	4.1 Develop appropriate measures to monitor and evaluate the progress of change in an organisation 4.2 Create a strategy for managing resistance to change in an organisation

Guidance

Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit links to occupational roles in project management and the following business management NOS: C4, 1.1; C4, 1.4; C4, 2.2; C5, 2.1; C5, 3.1; C5, 4.2.

The content of this unit has been mapped against the Engineering Council's current Learning Outcomes for IEng Accreditation. The completion of the learning outcomes for this unit will contribute knowledge, understanding and skills towards the evidence requirements for IEng Registration.

See *Annexe B* for summary of mapping information for IEng Accreditation.

Essential requirements

There are no special requirements for this unit.

Delivery

Learning outcome 2 provides tutors with an opportunity to draw on the experiences of learners in their own organisations. Learners could be encouraged to discuss and share their experiences of change within their own workplaces. It is likely that all employed learners will have different experiences of change in their workplace. They could be encouraged to discuss the reasons why change was seen to be necessary in their organisations and to compare the key drivers of that change. Learners will have different experiences of factors that may have hindered the change in their organisations and it will be useful for the tutor to draw out these factors in discussions. Tutors could also draw on topical examples of change. For example, the ways in which local authorities are considering changes to their operations following the cuts in public expenditure by the current government.

Having considered the underlying background to change, learning outcome 1 provides tutors with an opportunity to introduce learners to theoretical models of change. There is likely to be some lecturing or other form of presentation and the learning from this can be consolidated through small group discussions based on analysis of case studies or on how the material applies to organisations familiar to the students. Learners could conduct their own research into the models and identify how these could be appropriate to organisations in the current economic climate. Topical case studies are a useful method of examining the different ways in which organisations approach the need to change. For example, the Legal Services Commission's strategy focused on changing work practices and reducing wasteful expenditure. Tutors could use a case study such as this to examine the process of change in an organisation and to link the application back to theoretical models.

Learning Outcome 3 focuses on learners being able to present proposals for change to relevant stakeholders in an organisation. Learners should discuss their proposals with their organisation and with the tutor before embarking on their research. When covering learning outcome 3, learners could be encouraged as much as possible to apply the theoretical models to their selected organisation. Small group discussions can be a valuable vehicle for testing ideas as their proposals begin to develop. Tutors can lead group discussions on the resource implications of change using case studies to illustrate this. Learners can present their findings to relevant stakeholders.

A good starting point for learning outcome 4 is the experience of learners themselves. It is likely that they will all have experienced change either in a workplace or in a social situation. Small group discussions are a good method of drawing out these experiences and of linking them to the issues surrounding resistance to change in organisations. Tutor input would be required on ways to monitor and evaluate change. This could be accompanied by case studies on organisations that have experienced significant change such as Corus Steel or Unison. Tutors could use case studies to draw out comparisons about the ways in which the organisations have monitored and evaluated the change process and outcomes.

Assessment

For AC1.1, learners will need to show that they understand the different approaches to models of change management. They need to discuss a minimum of three established models, highlighting the differences in approach.

For AC1.2, learners will need to show that they are able to evaluate the usefulness of the models of change management in organisations of their own choice. They need to use examples from organisations to explain how the model is appropriate in the context of the selected organisation.

For AC2.1, learners will have identified the need for change from their research of their selected organisation. They will need to provide reasons why the change is required and this will need to be linked to their research on the organisation and its operations.

For AC2.2, it is important that learners show an understanding of the factors that can hinder change in organisations. Showing an understanding, needs to be more than just a list of factors that can hinder the change process. Learners need to demonstrate that they can link the factors to organisational contexts and explain how these factors have hindered the process of change in organisations.

For AC2.3, learners need to demonstrate that they have researched the organisations and that they are able to assess the factors in the organisations that are hindering the process of change.

For AC3.1, learners need to research information from a selected organisation and identify an area for change. It should be realistic and it should be agreed in the organisation and with the tutor before the learner proceeds.

For AC3.2 and 3.3, the learner needs to use the results of their research to develop a model for change in the area of the organisation which has been identified as an area that requires change. It is expected that learners will apply their knowledge from AC 1.1 when developing their model. Learners will then need to plan how the model would be utilised in the organisation.

For AC3.4 and 3.5, learners will need to present their proposals to a group of relevant stakeholders. This could be presented in a number of ways including a PowerPoint presentation or a briefing session with handouts. It is expected that the presentation will include a session where stakeholders will have the opportunity to probe and ask questions.

For AC4.1, learners will need to develop appropriate measures to monitor and evaluate the progress of change in an organisation. This will need to be more than just a list of general measures. The measures will need to be practical, workable and appropriate to the organisational context.

For AC4.2, learners need to create a strategy for managing resistance to change. It needs to address the issues and provide a workable approach to overcome the resistance to change. The strategy will need to show awareness that resistance to change can come from all levels and all sections of an organisation.

Resources

Books

Blake I and Bush C – *Project Managing Change: Practical Tools and Techniques to Make Change Happen* (Financial Times/Prentice Hall, 2008) ISBN 978-0273720454

Cameron E – *Making Sense of Change Management*, 2nd Edition (Kogan Page, 2004) ISBN 978-0749453107

Carnall C – *Managing Change in Organizations*, 5th Edition (Financial Times/Prentice Hall, 2007) ISBN 978-0273704140

Diamond M A and Allcorn S – *Private Selves in Public Organizations: The Psychodynamics of Organizational Diagnosis and Change* (Palgrave Macmillan, 2009) ISBN 978-0230613096

Dunphy D, Griffiths A and Benn S – *Organizational Change for Corporate Sustainability* (Routledge, 2007) ISBN 978-0415393300

Fullan M – *Leading in a Culture of Change* (Jossey-Bass, 2007) ISBN 978-0787987664

Green M – *Change Management Masterclass* (Kogan Page, 2007) ISBN 978-0749445072

Helms-Mills J, Dye K and Mills A J – *Understanding Organizational Change* (Routledge, 2008) ISBN 978-0415355773

Herold D M and Fedor D B – *Change the Way You Lead Change* (Stanford University Press, 2008) ISBN 978-0804758758

Kehoe D – *Leading and Managing Change* (McGraw-Hill Professional, 2007)
ISBN 978-0070137882

Leban B – *Managing Organizational Change*, 2nd Edition (John Wiley and Sons, 2007) ISBN 978-0470897164

Lewis S, Passmore J and Cantore S – *Appreciative Inquiry for Change Management* (Kogan Page, 2007) ISBN 978-0749450717

Nelson S – *Implementing for Results* (ALA Editions, 2009)
ISBN 978-0838935798

Stewart Black J and Gregersen H B – *It Starts with One: Changing Individuals Changes Organizations* (Pearson Education/Wharton School Publishing, 2008)
ISBN 978-0132319843

Journals

Academy of Management Journal (Academy of Management)

British Journal of Management (John Wiley and Sons)

California Management Review (University of California, Berkeley)

European Management Journal (Elsevier)

Harvard Business Review (Harvard Business Publishing)

Journal of General Management (Braybrooke Press Ltd)

Journal of Management Studies (John Wiley and Sons)

Management Today (Haymarket Business Media)

MIT Sloan Management Review (Massachusetts Institute of Technology)

Websites

www.businessballs.com	Change management articles and links
www.changingminds.org	Useful articles on change management by leading theorists
www.managementhelp.org	Articles on strategic change and further links
www.themanager.org	The '7s' model of change
www.mindtools.com	Lewin's change management model
www.12manage.com	Articles on the framework for change