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# Organizational change and resistance to change within companies

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*“... change generally represents a modification, a transformation or an adjustment in the form and / or content of an object, activity or natural product, of thinking or social.”*, according to Mihail Dumitrescu (1995), in the paper “Introduction to management and general management”

Gary Johns (1998), in his book “Organizational Behavior”, argues that change occurs when a program or plan is implemented to move the organization and/or its members to a more fulfilling state.

## Organizational change and resistance to change within companies

*Organizational change* can be easily compared to innovation or even considered innovation. Innovation can be defined as technology, product or practice “used for the first time by the members of an organization, regardless of the fact that it has already been used in other organizations” (Nord, W. R. & Tucker S. – „*Implementing routine and radical innovations*”), in other words, the use of an innovation is an innovation itself. Regardless of the truthfulness of this idea, it applies equally to organizational change. From this point of view, change can be understood as well as a continuous process of preparing the organization for the new system and introducing it in such a way as to ensure its success.

As it can be seen above, **the ultimate goal of organizational change is success**, that is, a better match between the organization and the environment in which it evolves, as well as a more efficient and effective way of working. The success of a change can also be defined as the degree to which the change meets the following criteria:

- a. It fulfills the purpose for which it was implemented;
- b. It does not exceed the deadline nor the budget that was set to it;
- c. It leads to positive economic and operational results in a reasonable period of time, exceeding the costs caused by its implementation;
- d. It is perceived as a success by both internal and external members of the organization.

Thus, the success of organizational change depends both on the quality of the solution found and on the effectiveness of its implementation, which can have three consequences:

- (1) Efficient implementation, the use of innovation or change (interchangeable in the given context) improves the performance of the organization;
- (2) Efficient implementation, but the performance of the organization is not affected in any way;
- (3) The implementation is not successful

Organizational change must, therefore, promote a strategy for the evolution of the organization, which obviously cannot be constant, but dynamic.

### **Types of organizational change**

The most common way to classify organizational changes is based on how radical the change seems to be. The concept of “radical change” and other close ones are presented below:

#### **Gersick, 1991:**

- Gradual change - supports the basic structure or the existing order
- Revolutionary change – destroys and replaces the existing structure and order

#### **Levy, 1986:**

- 1<sup>st</sup> degree change - changes in the basic rules of the system
- 2<sup>nd</sup> degree change - Paradigmatic change that modifies the metaregulations of the system (rules of the rules)

### **Tushman et al., 1986:**

- Convergent change - compatible with the existing organizational structure
- Change that modifies the frame (transformational) - at the system level, competing change in strategy, power, structure and control

### **Fiol & Lyles, 1985:**

- Low level of learning - behavioral change, within the organizational structure
- High level of learning - cognitive change, adjusts the general rules and norms

### **Miller & Friesen, 1984 :**

- Evolutionary (incremental) - low number of changes, one at a time
- Revolutionary (dramatic) - large number of extreme changes



An example of a change at the low level would be the reorganization of the structure of the jobs, while a change at the level of the entire organization would be its complete restructuring. Stace and Dunphy (1994) continue this idea, giving clear examples of interventions at each level:

- (1) *Macrointervention* which affects the whole organization - strategic analysis, the existence of a vision or a development mission, strategic establishment of positions, restructuring and reorganization of the work process at the organization level.
- (2) *Major intervention* which affects a production unit - formation of a unit, strategic planning or positioning, continuous improvement programs, recruitment of new management.
- (3) *Intergroup intervention* - strategies for forming intergroup teams, restructuring work teams and reorganizing the work process.
- (4) *Staff intervention* - staff development, professional development, job reorganization and leadership development.



The most common and practical classification of organizational change by process is that which refers to two fundamental change processes - *planned change and accidental or emergent change* (Burnes, 1996; Macredie and Sandom, 1999; Farrel, 2000).

**Planned change** is defined as a proactive change that the members of an organization deliberately initiate and implement in order to anticipate or respond to changes in the environment or to pursue new opportunities.

The purpose of the planned change is to anticipate events and look for ways to improve the situation. A feature without which this fact could not occur is the ability to see as a whole, as well as to have a clear concept of the future state that is pursued through change.

**Accidental or emergent change** is the opposite of planned change, but it does not have its spread and use. The change *happens* from the permanent activity of the members of the organization, as they respond to problems and opportunities. The change is imposed from the outside, the management creates the vision of change, and the employees carry out the implementation, which is made incrementally by several changes at the lower level which, in time, will lead to a major organizational transformation.

Organizational changes are, for the most part, planned, intended changes, introduced by management for different reasons (which may vary from the response to internal or environmental pressures to strategic changes intended for the development of the organization). Secondly, organizational changes are more easily observed, taking place in a more orderly and better structured and incomparably smaller space than social changes.

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The multiple aspects of organizational change were widely presented by Milan Kubr (1992) in the “Management Consultant's Handbook”. These would be:

- changes in the way of setting up organizations (legal status, form of ownership, field of activity, etc.);
- changes in tasks and activities (the list of products or services offered, suppliers, customers and markets);
- changes in the technology used (equipment, technological processes, tools, materials and energy);
- changes in management structures and processes (company chart, decision-making process, information system, internal control procedures);- changes in the organizational structure (leadership style, influences, values and traditions);
- changes among the people (the management team, the execution personnel, the competence, the motivations, the behavior and the efficiency in the work);
- changes in the organizational performance (economic, financial, social, the way in which the organization integrates into the activity environment and fulfills its mission);
- changes of the image created by the organization in business circles and in society.

Linda Ackerman (1986) has presented, in the work “Development, transition or transformation: the problem of change in the organization”, three main types of organizational change:

- *change of development* which consists in improving the skills, methods or conditions which for certain reasons cannot meet the current expectations;
- *transitional change* which means the implementation of a new known state (reorganization, the introduction of new services, products and technologies, processes and systems). Transitional changes may involve developmental changes;
- *transformational change* that implies the implementation of a new unknown state, being the result of a succession of transitional changes. This involves going through some developmental changes as well as some transitional changes.

## **Resistance to change in the organizational space**

Most of the theories about resistance to change come from the field of management and are focused on the methods by which resistance can be overcome, thus implementing change, quickly and efficiently. It is obvious that in this approach, resistance to change is considered as a negative thing, which must be fought, which must be defeated, for the future good of the organization.

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Lewin describes organizations as systems in a stable state, of balance between equal forces and the opposite direction. On the one hand, there are the “pro-change” forces, such as the pressure of competition, new technology, innovation and creativity within the organization, new laws in the economic field, environmental protection or legislation regarding the work and rights of individuals in this context, etc.

Counterbalancing these forces is what Lewin calls "resistance forces", which include the customs, tradition of the organization, treaties concluded in the past with unions, culture and organizational climate, etc. The two sets of forces are of equal intensity and cancel each other, so that the organizational system is maintained in a stable equilibrium state.



The logical consequence of this model is that if we want to introduce a change, we must destabilize the balance of these forces, strengthen, increase the “pro-change” forces to overwhelm the “resistance forces”.

Once this is achieved, a new equilibrium position is reached, which includes the situation, the elements that we wanted to introduce into the organization through the change that took place. It is, therefore, a temporary break in the balance of forces, a pressure that ceases when the desired state has become part of the organizational reality.



Lewin considered that there are three stages in implementing a change - **the unfreezing phase, the change phase and the final stage of refreezing.**

In order **to unfreeze** an organization, a careful evaluation of the forces of “resistance” is needed. Therefore, the first thing that needs to be done is to minimize the “resistance” forces, by consulting the groups of employees aimed at change and obtaining their co-participation.

Only then can the change be implemented and the equilibrium position changed to the desired state.

The third phase of the process is very important for fixing the newly introduced change, for its inclusion in the daily routine of the organization. Within the **refreezing** stage, a number of techniques and strategies are used, such as rewarding the desirable behaviors of employees and developing new sets of rules and regulations to help integrate the new situation into the ordinary life of organizations.

**In conclusion,** it can be stated that organizational change represents the process by which an organization adapts to the environmental demands in which it operates, by partially or completely transforming the internal processes and the resources available or attracted, based on the anticipation of future reactions and management, legal and efficient potential risks associated with the activity environment.

With regard to the concept of resistance to change, this is not an essentially negative phenomenon as the managerial inspiration literature implies, and it is influenced by a complex of factors that can be structured into two broad categories: the so-called “causes” of resistance to change (the factors that determine the individual, group and organizational levels) and the form or nature of the change that generates it.



## Thank You



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