



MANAGING STRATEGIC CHANGE

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ABSTRACT: *This desk review article looks at strategic change and how managers steer the change. When we talk about strategic change and managing the change, we look at why the need for the change, who will sense it the need and the one to manage and implement the changes factors Organizations have to embrace change to remain competitive in today's business environment. Competition, change in consumers taste or new and more innovative products force them adopt change. Change management is influenced by factors such as culture, technology, organization structure, employees and Politics.*

KEYWORDS – *Organization, Environment, Change management, Strategy, Tool.*

INTRODUCTION

Strategic change is defined as “Changes in content of a firm’s strategy as defined by scope, resource deployments, competitive advantage and synergy” (Hefer,&Schendel, 1978).Change management is an approach to transitioning individuals, teams, and organizations to a desired future state. Strategic change is the difference in form, quality or state overtime (Van de Ven, and Poole,(1995).It is the process of getting individual, teams and organizations function better (Mullins and Riseborough,(1999).Burnes (2009) writes that change management is based on the planned and emergent change approach. In order to optimize organizational performance and effectiveness organizations must ensure that they adapt and fit their internal strengths and externalities in the macro environment. The dynamic environment necessitates changes in the organizational activities, processes, and value in order to remain afloat (Johnson, & Scholes, 2004)

The dynamic capability theory emphasizes on how transformational leadership could change their existing models and paradigms to adapt to changing environment; the organization must be stable in order to continue to deliver value in their unique way and they must be flexible and adaptive enough to shift on time when circumstances dictate so (Teece, 1977). Change is unavoidable for organization these days. Organizations use the permanent vision



of change as they strive to compete in the progressively more competitive and globalized economy.

Changes must be appropriate and reasonable and refers to cope progression touching from an unacceptable present state to preferred state (Beckhard & Dyer, (1983).Challenges for today's managers is learning to manage change successfully. With the purpose to remain competitive in the long term, enterprises are required to assume compound changes with increasing speed, effectiveness and success(Arnaboldi& Azzone 2005).In addition, in strategic management we have planned change that means consequences from on purpose challenge to managers to progress organizational functions if persons, teams or organizations wont adapt to change in the specific time they are doubtful to survive (Edmonds, 2011).

The management of change is a difficult development which according to Larkin (1996) is something which many organizations find incorrect. Structure and control systems are the most important factors of strategic change but most of the time top managers may adjust strategy but performance and assumptions stay the same as before with the consequence that change program tend to be successful(Pfeifer, Schmit, & Voigt,2005). It doesn't matter how great your plans are or how useful the changes may be for the organization, as long as they are not understood by the people, they are worthless.

Managers responsible for strategic change must consider the culture and behavior of the employees. Organizations can only change by changing the attitudes of managers and employees. Change usually happen when organizations are faced with crises. It could be internal or external or consumer behavior which may modify the firm's setting and want to find a way of creating value for customers and differentiate itself from competitors. The firm feel the need to change internally to achieve great goal which require big vision(Satler, 2002).

Change Tools

Triumph in dynamic and active circumstances need a strategic realignment and increasing of technical, political and cultural systems. Managers have three basic tools with which to



achieve these kind of tasks; Mission and strategy, organizational structure and human resource management (Tichy, 1983).

Managers should check if executing strategy and making the plan make a difference in the organization or not. Managers can learn from the lessons of successful policy implementation and organizational change management. i.e. achieve early successes so organizational members see that change is possible and that the planned activities led to intended purpose; Celebrate success to reward employees and show clear incentives for undertaking the efforts involved in organizational change; Promote the development of learning where managers regularly program service and delivery changes; Work to maintain the spirit of the planning process-oriented to strategic thinking and building a more united management team throughout the organization.

Kotter (1995) introduced his eight step process for leading change as follows; Create urgency, form a powerful coalition, create a vision for change, remove obstacles, create short term wins, build on the change and anchor the change in corporate culture.

I agree with Kotter's assertions since it brings out what is required in totality for the success of strategic change and management of the change to achieve the intended both individual and organizational goals.

Types of Changes

Different types of changes can be applied to different organizations depending on the problem at hand and it is important to manage the speed of change since being late in implementing change may render the change less efficient.

There are those changes which are transformational while others are realignment. Realignment changes do not require huge changes in people's perspective while transformational changes require huge change in both people and organizational perspectives. It is important to change the behavior and the way people think about their work. People must be ready to change and managers have to prepare employees for this change. Factors such as time and scope need be put into consideration by managers.



Understand the right time for change, in critical time (crises) organizations act faster as compared to longer strategic developments that may occur from time to time

Managers have to consider the degree of change that they want to apply within the company. Is it organizational change or part of the company? Here you consider the employees, managerial and organizational capabilities and resources available (cash, time and number of people involved).

Managers should design the path which will consider the kind of change necessary for the organization, extent and speed of change which are important factors to be kept in mind.

During conducting change, spread of responsibilities in a way to achieve the goal in most effective possible way is very important. The team, the leader and even consulting should be clear before the changes.

Factors Influencing Change

These are culture and management, technology, strong competition, environment, structure, labour and employees and political issues.

Culture is the paramount barrier in a organization strategic change management. Organizations have different kind of people with different kind of thinking. Culture refers to attitude of employees and top managers in the organization that shows how they behave and carry out the business. The treating of employees, the way they respond to issues and reaction to the new change is always and has been the main problem that the firms are faced with. Team work is very important in any project so it is clear that when team working is weak, Organizations are faced with problem in change management. Differences are also found among different departments. What matters in the design is the impact of all the features together. Ultimate changes will cause deployment of levers covering the entire organizations sub systems. It is difficult to change one of the sub system alone since they are somehow dependent on each other.

Managers should come up with a way to help employees let go of their past obligations, understand the new system and believe that it will help them and help the organizations



achieve their goals faster and accept the new roles and responsibilities. Learning programs and teaching help employees with different culture to adopt with changes easily. Middle level managers are responsible for connecting the senior managers and employees. They have to help their staff in transition steps while at times it's a challenge for them to adapt to changes as well. To overcome this they should form groups and share ideas with colleagues and their teams on how to solve and pass problems that may be caused by change in their sections.

Good training and support by the organization for the middle level managers will help them a long way to overcome the situation. Zigarmi, et al (2008) states that leaders need to create an atmosphere of trust and genuine concern for how the proposed change will affect people personally. Colin (2007) argues that leverage and connectivity are two important dimensions for success in change management. Rather than specify problem solution in rigid details it's better to encourage local level solving led by the most respected co-workers supported by local leaders with senior leaders focused on the overall design and intended outcome. Down that line lays a possibility of ownership.

In today's organizations there will be more challenges for different facts such as technological revelations and major achievement in industries and science. Each company naturally want themselves to adapt to the situation in best way possible. New technology and product development required for strategic change are costly to organizations thus limiting change.

Inadequate creativity and imaginative power, different moral patterns and competition are the most paramount elements of organization structure.

While the top management decides for change, scarcity of support in changing and unclear process and in some case lack of confidence is also confusing for personnel. Besides understanding the situation, considering the employee competencies and abilities and also scarcity of supply are issues to be taken into account for successful change. Changing workers or individuals require a good amount of investment and support. A manager may want to revolutionize his company but may not be possible due to expenses of the task. It's very hard to manage time and money especially in time of crises.



A critical strategic challenge for many managers is managing people during the change process and dealing with resistance. Resistance to change and the absence of effective leadership are major reasons why transformation efforts fail. Therefore change management need to effectively listen and communicate with employees (Daly et al., 2003).Resistance to change should be dealt with through sensitization programs. Demonstrate to the staff the importance of the changes and assuring them of their job.

Political issues usually happen between groups in the organizations “No willingness at the top to miss use of power, insufficient thought for social-political feasibility, delay in discussions on procedure and rules, zero-sum approach to distributionof power and selective use of information “also play an important role (Lorsch,1986).

An improved reception of change while keeping staff engaged is more likely to be achieved if we understand how to put into action the theory of change. Stakeholders’ engagement is deep seated to successful change. Groups without strong line leadership never achieve the power that is required (Kotter, 1995).

CONCLUSION

While leading activities in the change management program include politics within the organization, suspicion and outright resistance for perceived loss of comfort, lack of adequate funds are challenges faced by change management managers. Change is the only way out that can help firms survive in this competitive environment. Managers should have ability to manage such change through acquiring skills and knowledge for them to sells their change ideas to others.

The importance of strategic change management is to accelerate the speed at which people move successfully through the change process so that the anticipated benefits are achieved faster. Successful change management can only be in organizations that traditionally value each employee and respect their potential contribution.



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