

# The dark side of organizational change management. A few notes from a theoretical perspective

Daniela Zamolo

## ABSTRACT

*Contemporary organizations are facing several challenges in sustaining effective change, increasing competition, or in being able to survive in the market place. A number of them aim to preserve the status quo, whereas others implement strategies to sustain continuous innovation, or strengthen alliances with other organizations to meet objectives, while dealing with complexity, dynamism and environmental uncertainty.*

*This paper seeks to make a contribution to the research on organizational change management. The topic aims to encourage reflection from a theoretical lens, and via the exploration of relevant academic research, through in-depth reasoning about which factors and contextual pressures are likely to have the strongest impact on organizations' ability to effectively introduce, manage and embrace change.*

Le organizzazioni stanno affrontando diverse sfide per reagire efficacemente al cambiamento e conseguire un vantaggio competitivo sostenibile, o semplicemente per sopravvivere nel mercato.

Change has become an essential and inevitable feature of contemporary organizations, sometimes difficult to be introduced or managed, and not always accepted by employees. A range of factors, internal and external to the organization, may exert pressure on leaders, who are required to rapidly provide effective change responses if they want organizations to keep up. Change not properly handled by leaders may generate feelings of

Alcune mirano a preservare lo status quo, altre implementano strategie al fine di alimentare l'innovazione. Altre ancora, stringono alleanze con organizzazioni esterne e affrontano i rischi legati alle complessità, al dinamismo e alle insicurezze inerenti al contesto.

Questo breve articolo vuole essere un contributo alla ricerca sul cambiamento organizzativo da una prospettiva teorica. L'intento è di incoraggiare una riflessione, a partire da fonti accademiche validate, sui fattori in grado di influenzare le organizzazioni nell'introduzione, gestione e realizzazione del cambiamento.

## KEY WORDS

CHANGE; RESISTANCE; POLITICAL SKILLS; PARADOX; DISCOURSE.

## PAROLE CHIAVE

CAMBIAMENTO; RESISTENZA; ABILITÀ POLITICHE; PARADOSSO; DISCORSO;

anxiety, uncertainty or instability among employees, with likely adverse impact on their commitment and motivation towards work and change initiatives.

Several studies<sup>1</sup> maintain that organizations fail in delivering change initiatives by 70%,

<sup>1</sup> e.g., refer to B. Burnes, and P. Jackson, *Success and failure in organizational change: An explanation of the role of values*, in "Journal of Change Management", 2011, 11(2), 133-162

with negative implications for organizational effectiveness. A deep understanding of organizational factors and contexts as drivers of change is therefore crucial, in order for organizations to decrease failure, to succeed and grow.

Managing change is one of the most difficult endeavours on which organizations embark, requiring a high level of leadership responsibility. Generally, it involves the planning and control of the change process, the implementation of a new strategy, and employees' support in the transition towards a new organizational state. Whether employees perceive leaders as having the proper knowledge, skills and expertise to lead and manage change, it is likely they feel more trusted and committed towards the organization and change initiatives.

Fincham and Rhodes<sup>2</sup> defined organizational change management as "the leadership and direction of the process of organizational transformation, especially with regard to human aspects and overcoming resistance<sup>3</sup> to change".

The emphasis given to human aspects moves away from a functionalist perspective, centred on the essence of leadership, and towards an interpretive one, which emphasizes the role of social relationships and contextual aspects in leadership. Alvesson and Spicer<sup>4</sup> argue for a socially constructed reality centred on human interaction, shifting the focus away from how an organization is led, or on a leader's behaviour in making decisions, as advocated by functionalists.

It could be useful to clarify the extent to which internal and external factors/pressures

2 Fincham and Rhodes, in G. Reese, and R. French, *Leading, managing and developing people*, CIPD, 2016, p. 104

3 The concept of resistance, which will be discussed a little further on, is of the utmost importance. In the recent literature on change management it is commonly agreed that resistance represents one of the main causes of an organization's failure. Leaders and managers are therefore required to develop specific capabilities in order to recognize the main causes of resistance (e.g. the introduction of a new Information Technology), to manage and overcome resistance effectively.

4 M. Alvesson, and A. Spicer, *Critical leadership studies: the case of critical performativity*, in "Human Relations", 2012, 65 (3), 367-390

do influence the development of such a construction of reality, and the conscious/unconscious mindset of individuals, given that it is likely they would interpret and experience the same situation differently.

Consistent with Morrell and Learmonth<sup>5</sup>, that "problems in management can always be understood in different ways and from different perspectives", the effectiveness of being a leader rests on behaving appropriately, according to the different situations<sup>6</sup>, and by enabling employees to act as agents of change.<sup>7</sup> In many organizations, however, it emerges that leaders still adhere to rational approaches, and consider employees remote from more proactive subjectivistic positions, likely to "enhance performance in any situation"<sup>8</sup>.

It is noted that previous experience of change may affect employees' expectations regarding the introduction of a new change. An employee's reaction may translate into resistance if they experience emotions such as fear, anxiety and uncertainty, and if change is perceived as being implemented by leaders using an autocratic management style based on control and power over them. Peiperi<sup>9</sup> provides a useful definition of resistance as "active or passive responses on the part of a person or group that militate against a particular change, a pro-

5 K. Morrell, and M. Learmonth, *Against Evidence-Based Management, for Management Learning*, in "Academy of Management Learning & Education", 2015, Vol. 14, No. 4, 520-533, p. 521

6 For an in-depth analysis, please refer to Stogdill, 1974; Yukl, 2002;

M.H. Kavanagh, and N.M. Ashkanasy, *The impact of leadership and change management strategy on organizational culture and individual acceptance of change during a merger*, in "British Journal of Management", 2006, Vol. 17, S81-S103

7 For an in-depth analysis regarding the concept of agency, refer to R. Caldwell (2003), who provided an interesting classification of change agency models. Please, see footnote 11 for full reference.

8 S. Jaynes, *Making strategic change: a critical discourse analysis*, in "Journal of Organizational Change Management", 2015, Vol. 28, No. 1, 97-116, p.112

9 M. Peiperi, 2005

gram of changes, or change in general”.<sup>10</sup> Kyle<sup>11</sup> maintains that a decisive factor for the understanding of resistance and individual’s adaptation towards change is “the degree of impact the change has on individuals: the higher the impact of change, the greater the resistance”.

Resistance should not be viewed as negative *per se*, in that it obliges leaders to resonate with problems and dynamics underlying resistance, and according to Caldwell<sup>12</sup>, to discover whether they are related to content, control or process of change. Karreman and Alvesson<sup>13</sup> maintain that as resistance manifests in different forms, organizations should know these specifics, in order to “counter” and “neutralize” resistance in ways likely to solve issues that are resisted.

A way to understand how resistance may be countered, aligning employees’ behaviour towards change, is to analyse the organization from the “Resource-Based View” (RBV) perspective. Stressing resource heterogeneity, RBV theory assumes that competitive advantage and value creation should not disregard how rare and unique resources, unavailable for competitors, are reconfigured and redeployed over time. The RBV theory expands the earlier “Five Forces” model developed by Porter<sup>14</sup>, by focussing on the internal environment to emphasize the role of human capital as a primary source for competitive advantage.

Criticism of RBV arises from the lack of a definition of valuable resources in driving organizational change, and by highlighting paradoxes related to causal ambiguity “between

organizational resources and outcomes”<sup>15</sup>, or the ability to measure a resource, which would make it less likely to be positively correlated with competitive advantage.

According to Doldor<sup>16</sup>, leaders improve their ability to manage organizations and resources and achieve better performance outcomes, when they are politically skilled. A number of studies<sup>17</sup> highlight that strategic leaders who are trained with political skills, and perform their role applying those skills effectively, are likely to achieve ‘healthy’ changes, away from side effects. According to Rees and French<sup>18</sup>, “the more strategic the change, the more politically charged it will be and thereby draw upon more power bases”. From a postmodernist perspective, it could be argued that leaders are able to navigate organizational domains effectively when they consider politics just as a sense-making process, characterized by the “management of meaning”<sup>19</sup>, enriched by discourse, learning and experience.

According to Buchanan<sup>20</sup>, as “organizational politics is intimately connected to the notion of power”, and to Kotter<sup>21</sup> as “managers typically form powerful coalitions through network building”, it is likely that employees perceive politics as not manipulative or detrimental if power is exercised informally. It could be useful to measure employees’ perceptions regarding whether politics and power are deployed effectively and humanly across the organization, or if they are used for satisfying leaders’ own interests. Nevertheless, it might be extremely difficult, especially during critical times of change.

10 M. Peiperi, “Resistance to change”. In N. Nicholson, P.G. Audia, and M.M. Pillutula: “The Blackwell Encyclopedia of Management”, *Organizational Behaviour*, Blackwell: Oxford, 2005, p. 348

11 Kyle, 1993, in W.H. Bovey, and A. Hede, *Resistance to organisational change: the role of cognitive and affective processes*, in “Leadership & Organization Development Journal”, 2001, 22/8, 372-382, p. 373

12 R. Caldwell, *Models of Change Agency: a Fourfold Classification*, in “British Journal of Management”, 2003, Vol. 14, 131-142

13 D. Karreman, and M. Alvesson, *Resisting resistance: Counter-resistance, consent and compliance in a consultancy firm*, in “Human Relations”, 2009, Vol. 62(8): 1115-1114

14 M.E. Porter, 1980

15 Lippman and Rumelt, 1982, in A.A. Lado, N.G. Boyd, P. Wright, M. Kroll, *Paradox and theorizing within the Resource-Based View*, in “Academy of Management Review”, 2006, Vol. 31, No. 1, 115-131. p.116

16 E. Doldor, *From politically naïve to politically mature: Conceptualizing leaders’ political maturation journey*, in “British Journal of Management”, 2017, Vol. 28, 666-686

17 e.g. Kimura, 2015; Geppert et al., 2016

18 p. 122, already cited

19 Pettigrew, 1977, in D.A. Buchanan, “Rats in the shadows: researching organisational politics”, in: *Handbook of Organisational Politics*, Edward Elgar Publishing, 2016, p. 348

20 p. 340, already cited

21 Kotter, 1999, in Reese and French, p. 122, already cited

An interesting way to understand organizational dynamics, and an individual's reaction to the introduction of organizational change, is to analyse them from a paradoxical lens.

In distinguishing among different forms of paradox, Lewis<sup>22</sup> describes “paradoxes of organizing, especially prevalent in periods of change, as stemming from conflicts between old and new”. According to Tsoukas and Chia<sup>23</sup> as “organizations are sites within which the human action takes place”, leaders should aim to value the human capital, by fostering individuals' capability to interact, and to use reflexivity and discourse in reinterpreting actions of change. Thus, it could be argued that an employee's reflexivity and discourse may help leaders to understand their potential, overcoming paradoxical tensions consequent to the introduction of change interventions.

According to Burnes<sup>24</sup>, as “the degree to which culture influences behaviour is dependent upon the presence of clear and consistent goals”, it is likely that as suggested by Stouten, Rousseau, and De Cremer<sup>25</sup>, the specification of clear long-term objectives might foster followers' acceptance, commitment and trust towards change. Nevertheless, as highlighted by Rees and French<sup>26</sup>, the achievement of goals cannot disregard the alignment of HR activities to the organizational strategy.

The process of change should be configured as constant and incremental, rather than radical, in response to a continually changing environment. As Weick and Quinn<sup>27</sup> maintain,

22 L.S. Lusher, and M.W. Lewis, *Organizational Change and Managerial Sensemaking: Working through Paradox*, in “The Academy of Management Journal”, 2008, Vol. 51, No. 2, 221-240, p. 233

23 H. Tsoukas, and R. Chia, *On Organizational Becoming: Rethinking Organizational Change*, in “Organization Science”, 2002, Vol. 13, No. 5, 567-582, p. 577

24 B. Burnes, *Managing Change*, Pearson, 2017, p. 262

25 J. Stouten, D.M. Rousseau, D. De Cremer, *Successful organizational change: integrating the management practice and scholarly literatures*, in “Academy of Management Annals”, Vol. 12, No. 2, 752-788

26 Already cited

27 K.E. Weick, and R.E. Quinn, *Organisational Change and Development*, in “Annual Review of Psychology”,

this position is contrasted by proponents of episodic change, who consider change as intentionally and externally driven whereas a different perspective is offered by recent research on complexity theories<sup>28</sup>, by which change should be viewed as deliberate, created by “spontaneous self-organizing”<sup>29</sup>, and characterized by some relevant features of emergent change.

Unquestionably leaders should move from the theory they consider best fits the organization, and take into account the variable environmental dynamics and the historical moment when considering change. In the current changing environments, organizational change should be analysed from a duality lens, by which stability and change should not be viewed as opposites, but as interrelated dimensions along a continuum. If on the one hand, ongoing dynamics and uncertainties require leaders to exercise an amount of power and control over people and performance outcomes, on the other hand, leaders should foster employees to proactively engage with innovation and change to meet objectives and performance improvements.

Despite challenges and constraints coming from both the internal and external environments, the integration of stability and change is likely to foster leaders and followers' trust and identification with the organization, allowing change to be carried out by overcoming paradoxes and resistance.

*Daniela Zamolo is post-graduated in Educational Science and Continuing Professional Development (University of Trieste), and Industrial and Organizational Psychology (Birkbeck, University of London). She holds a Masters in Quality Management (University of Udine) and Scientific Publication (University of Padua).*

1999, 50 (1), 361-386

28 e.g. Burnes, 2005; 2017

29 R.J. Blomme, and K. Bornebroek-Te Lintelo, *Existentialism and organizational behaviour. How existentialism can contribute to complexity theories and sense-making*, in “Journal of Organizational Change Management”, Vol. 25, No. 3, 405-421, p. 407

*Daniela Zamolo è specializzata in Educazione degli Adulti e della Formazione Continua (Università di Trieste) e in Psicologia Industriale e Organizzativa (Birkbeck, Università di Londra). Ha conseguito un Master in Quality Management (Università di Udine) e in Pubblicazione Scientifica (Università di Padova).*

zamodan@libero.it