



**INSTITUTE OF AERONAUTICAL ENGINEERING**  
**(Autonomous)**  
**MBA Department**

**PPTs on**  
**Leadership and Change Management**  
**IV Semester**

**Prepared By**

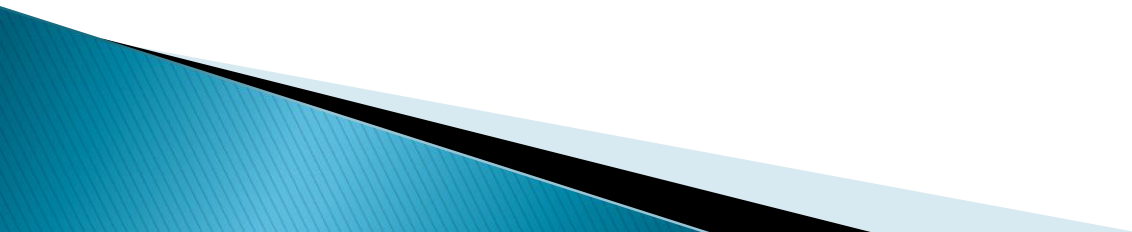
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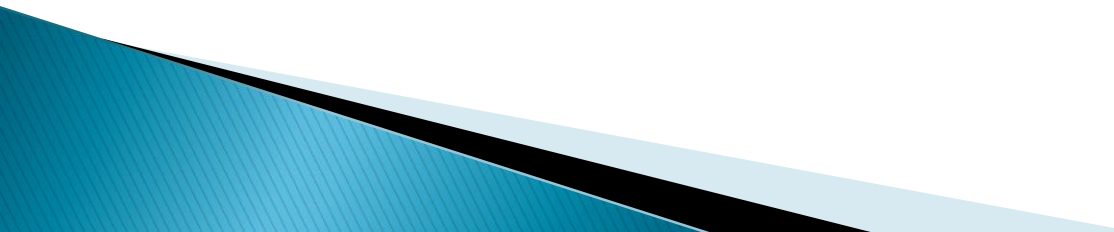
# Leadership

- ▶ According to Keith Davis, “Leadership is the ability to persuade others to seek defined objectives enthusiastically. It is the human factor which binds a group together and motivates it towards goals.”

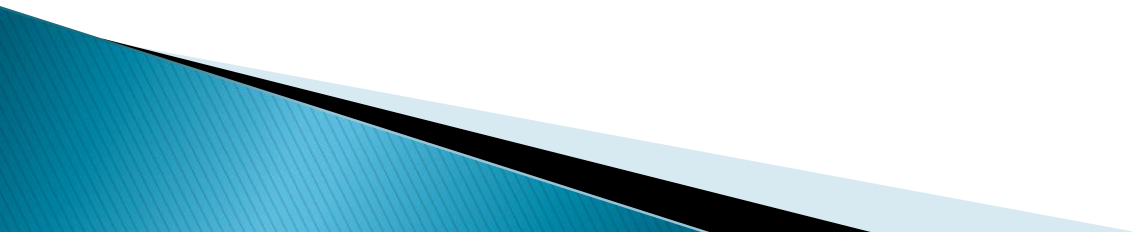
# Components of Leadership

- ▶ **Honesty and Integrity**
  - ▶ **Outstanding Self Awareness**
  - ▶ **Vision**
  - ▶ **Courage**
  - ▶ **Communication Skills**
  - ▶ **Team Builder**
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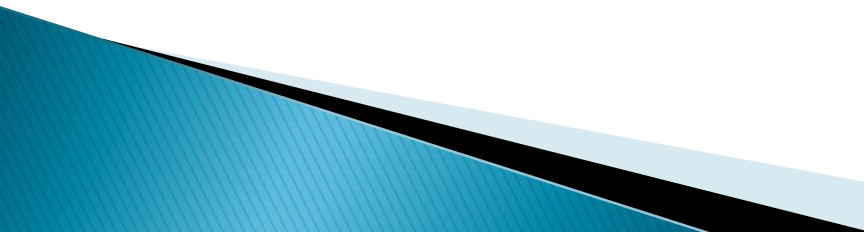
# Trait Approach to Leadership

- ▶ Achievement drive: High level of effort, high levels of ambition, energy and initiative
  - ▶ Leadership motivation: an intense desire to lead others to reach shared goals
  - ▶ Honesty and integrity: trustworthy, reliable, and open
  - ▶ Self-confidence: Belief in one's self, ideas, and ability
  - ▶ Cognitive ability: Capable of exercising good judgment, strong analytical abilities, and conceptually skilled
  - ▶ Knowledge of business: Knowledge of industry and other technical matters
  - ▶ Emotional Maturity: well adjusted, does not suffer from severe psychological disorders.
  - ▶ Others: charisma, creativity and flexibility.
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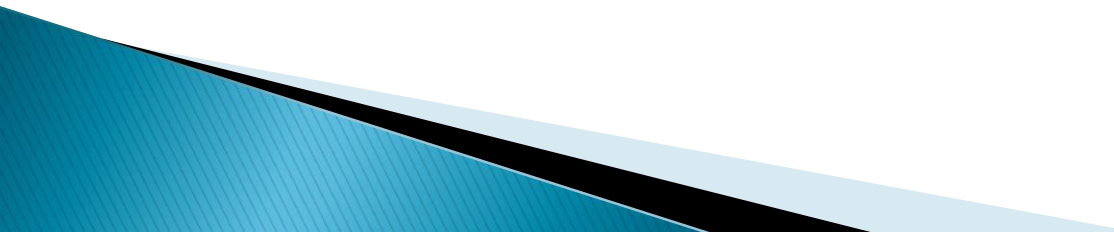
# Big 5 personality traits


- ▶ Openness
  - ▶ Conscientiousness
  - ▶ Extraversion
  - ▶ Agreeableness
  - ▶ Neuroticism
- 

# Strengths/Advantages of Trait Theory

- ▶ It is naturally pleasing theory.
  - ▶ It is valid as lot of research has validated the foundation and basis of the theory.
  - ▶ It serves as a yardstick against which the leadership traits of an individual can be assessed.
  - ▶ It gives a detailed knowledge and understanding of the leader element in the leadership process.
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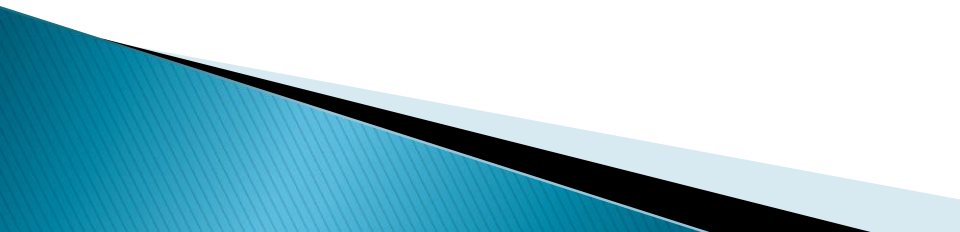
# Limitations of The Trait Theory

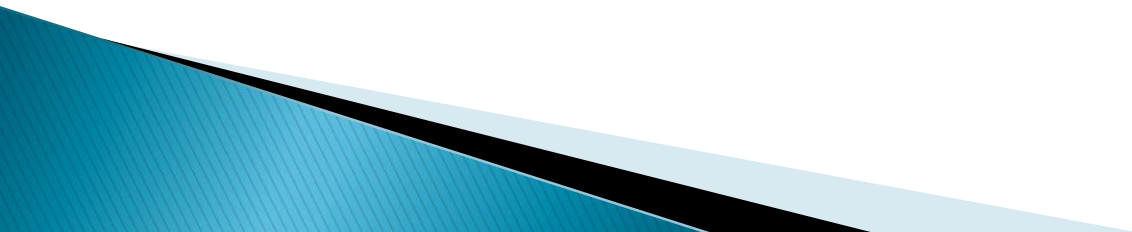
- ▶ There is bound to be some subjective judgment in determining who is regarded as a ‘good’ or ‘successful’ leader
  - ▶ The list of possible traits tends to be very long. More than 100 different traits of successful leaders in various leadership positions have been identified. These descriptions are simply generalities.
  - ▶ There is also a disagreement over which traits are the most important for an effective leader
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- ▶ The model attempts to relate physical traits such as, height and weight, to effective leadership. Most of these factors relate to situational factors. For example, a minimum weight and height might be necessary to perform the tasks efficiently in a military leadership position. In business organizations, these are not the requirements to be an effective leader.
  - ▶ The theory is very complex
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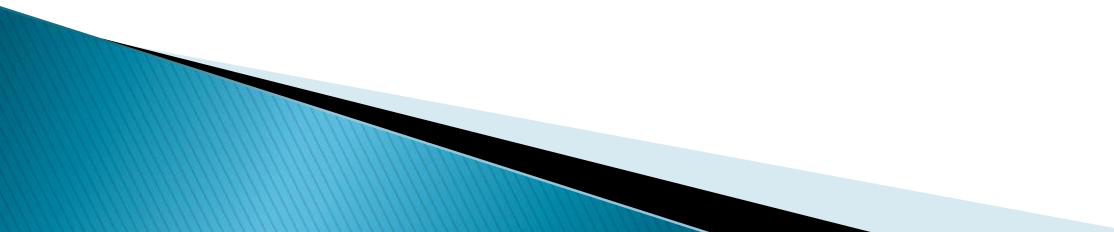


# Applications of Trait Approach

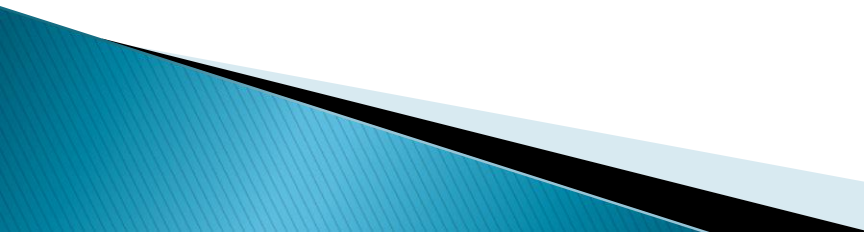
- ▶ Use assessment to identify and compare the traits that an individual possess and use trait measures to assess your own characteristics.
  - ▶ Compare the traits leaders' exhibit and use assessments to see who has these traits.
  - ▶ Organizations can use personality assessment instruments to identify how individuals will fit within their organizations. This helps them select the right candidate and in turn helps increasing organizational effectiveness.
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- ▶ Trait information can suggest areas in which employees personal characteristics are beneficial to the organization.
  - ▶ The trait approach can be used for personal awareness and development by analyzing strengths and weaknesses to gain a better understanding of their traits.
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# Skills Approach

- ▶ In the skills approach we shift our thinking from a focus on personality characteristics, which usually are viewed as innate and largely fixed, to an emphasis on skills and abilities that can be learned and developed. Although personality certainly plays an integral role in leadership, the skills approach suggests that knowledge and abilities are needed for effective leadership.
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# Katz's Three-Skill Approach

- ▶ The research was based on Katz's own first hand observations of executives in the workplace and on field research in administration. He suggested in the paper that effective administration or leadership depends on three basic personal skills: technical, human, and conceptual. He identified these three skill areas as the most important skills that the executives had in common and used on a regular basis.
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# Katz's Three-Skill Approach

Conceptual Skills

Technical Skills

Human Skills

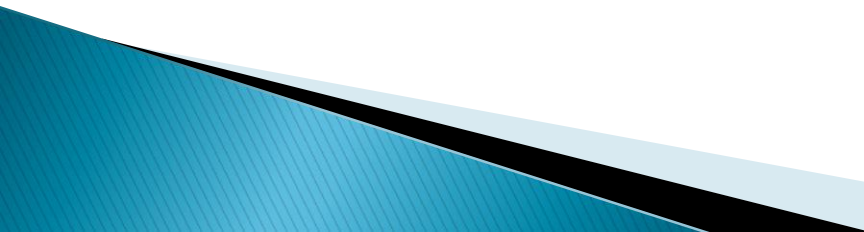
**Supervisory Management**  
Technical Skills – High  
Human Skills – High  
Conceptual Skills - Low

**Middle Management**  
Technical Skills – Medium  
Human Skills – High  
Conceptual Skills - Medium

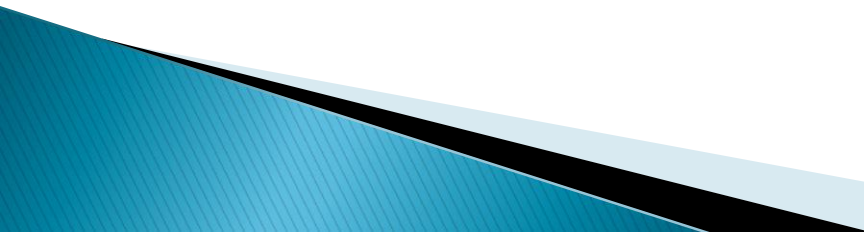
**Top Management**  
Technical Skills – Low  
Human Skills – High  
Conceptual Skills - High



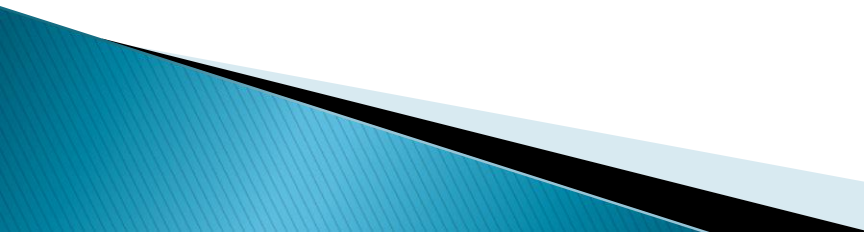
# Attributes of Technical Skills

- ▶ Technical Skills refer to being knowledgeable proficient in a specific type of work or activity
  - ▶ It is the ability to work with things
  - ▶ Technical skill is proficiency, based on specific knowledge, in a particular area of work
  - ▶ Technical skills are most important at lower and middle levels of management
  - ▶ Technical skills are less important at upper/senior management levels
- 

# Attributes of Human Skills

- ▶ Human skills refer to the ability to work with people
  - ▶ It is being aware of one's own perspective on issues as well as the openness to hear and appreciate inputs of others on their perspectives
  - ▶ Leaders adapt their own ideas incorporating good themes from those of others
  - ▶ Create an atmosphere of trust where employees/followers can feel comfortable and empowered to contribute their best
  - ▶ Human skills are important at all the three levels of management – Lower, Middle and Senior
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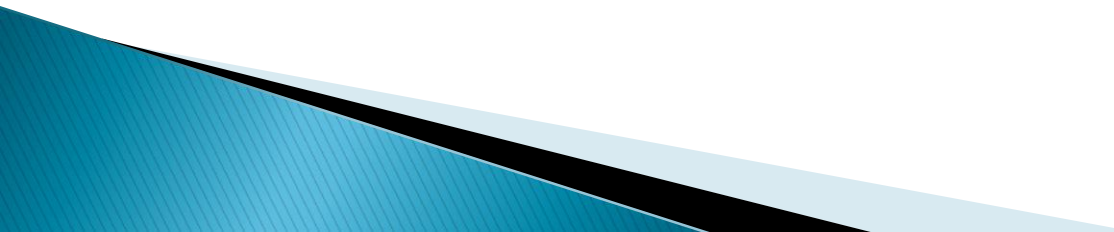
# Attributes of Conceptual Skills

- ▶ It is the ability to work with ideas and concepts
  - ▶ Creating visions, strategic plans and setting direction
  - ▶ These are cognitive, business, and strategic skills
  - ▶ Ability to work easily with abstractions and hypothetical situations
  - ▶ As leaders climb the career ladder, higher levels of conceptual leadership skills became necessary
  - ▶ This skill is most important for top managers
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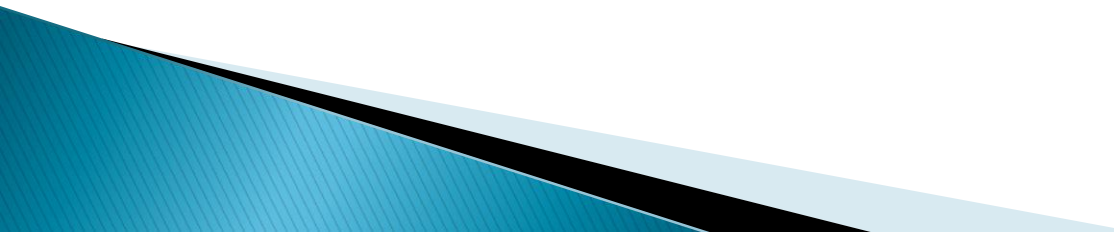
# Skill Model

The skill-based model of Mumford's group has five components: competencies, individual attributes, leadership outcomes, career experiences, and environmental influences. A portion of the model, illustrating three of these components, appears in Figure 3.2. This portion of the model is essential to understanding the overall skill-based leadership model.



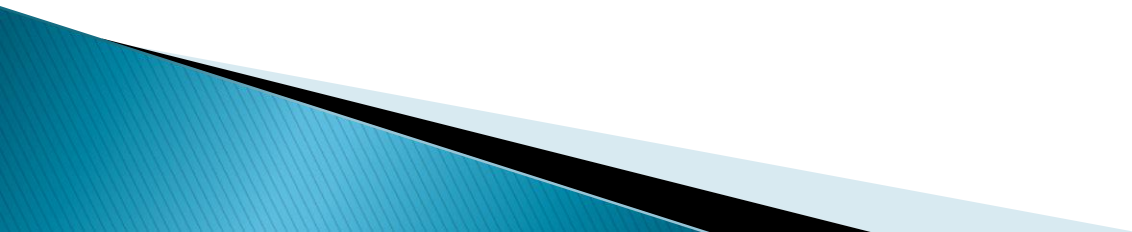
# Competencies

These three competencies are the key factors that account for effective performance.

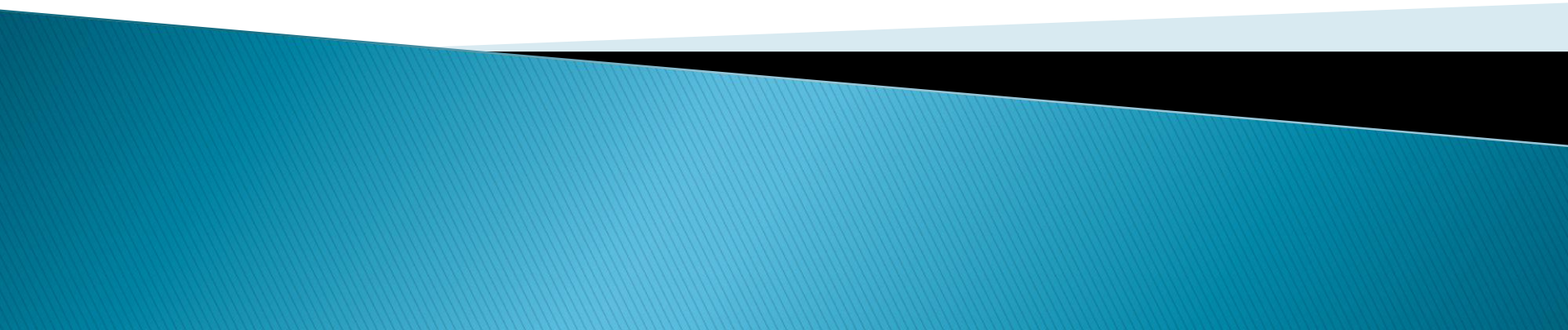
- ▶ Problem-solving skills,
  - ▶ social judgment skills, and
  - ▶ knowledge
- 

# Individual Attributes

These attributes play important roles in the skills model. Complex problem solving is a very difficult process and becomes more difficult as people move up in the organization. These attributes support people as they apply their leadership competencies.

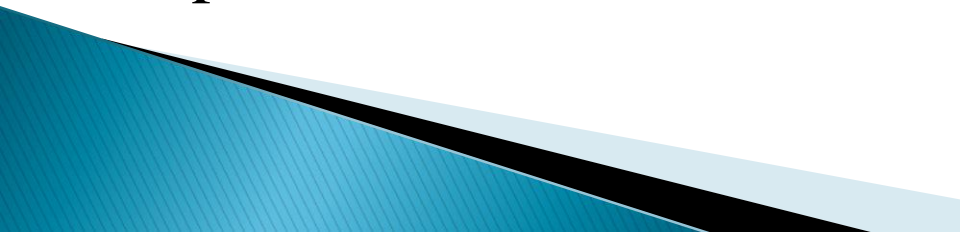


# Environmental Influences

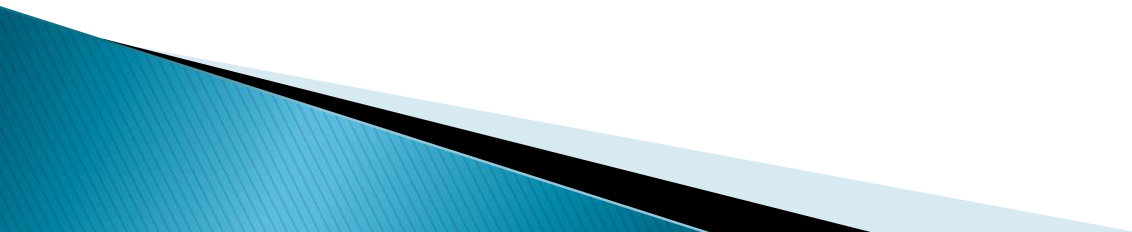
- ✓ General Cognitive Ability.
  - ✓ Crystallized Cognitive Ability.
  - ✓ Personality.
- 

# Leadership Outcomes

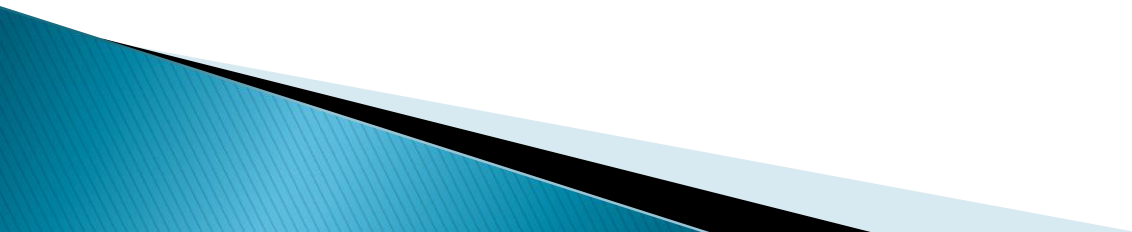
Effective problem solving and performance are the outcomes of leadership. These outcomes are strongly influenced by the leader's competencies (i.e., problem-solving skills, social judgment skills, and knowledge). When leaders exhibit these competencies, they increase their chance so problem solving and overall performance.

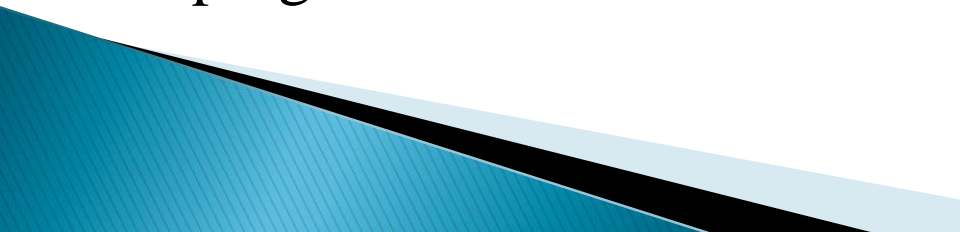


# Environmental Influences

- ▶ Effective Problem Solving
  - ▶ Performance
  - ▶ Career Experiences
  - ▶ Environmental Influences
- 

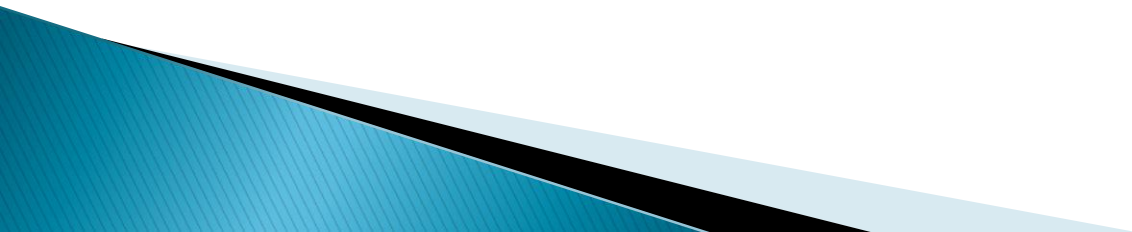
# Strengths

- ▶ It is the first approach to conceptualize and create a structure of the process of leadership around skills.
  - ▶ **Second**, the skills approach is intuitively appealing. To describe leadership in terms of skills makes leadership available to everyone.
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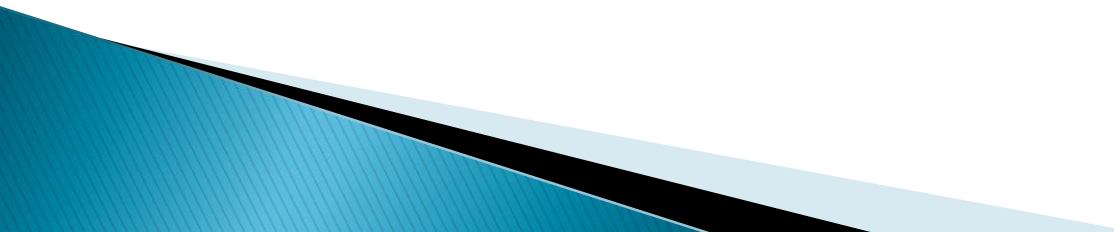
- ▶ **Third**, the skills approach provides an expansive view of leadership that incorporates a wide variety of components, including problem-solving skills, social judgment skills, knowledge, individual attributes, career experiences, and environmental influences.
  - ▶ **Last**, the skills approach provides a structure that is very consistent with the curricula of most leadership education programs.
- 



# Criticisms

- ▶ First, the breadth of the skills approach seems to extend beyond the boundaries of leadership.
  - ▶ Second, related to the first criticism, the skills model is weak in predictive value. It does not explain specifically how variations in social judgment skills and problem-solving skills affect performance.
- 

# Leadership Theories

- ▶ Blake and Mouton's Managerial Grid
  - ▶ House's Path Goal Theory
  - ▶ Great Man Theory
  - ▶ Trait Theory
  - ▶ Leadership-Member Exchange (LMX) Theory
  - ▶ Transformational Leadership
  - ▶ Transactional Leadership
  - ▶ Continuum of Leadership Behaviour
  - ▶ Likert's Management System
  - ▶ Hersey Blanchard Model
  - ▶ Fiedler's Contingency Model
- 

# Ohio State Leadership

Low ..... Consideration ..... (High)

High consideration and low structure	High structure and high consideration
Low consideration and low structure	High structure and low consideration

(Low) ..... Initiating Structure ..... (High)

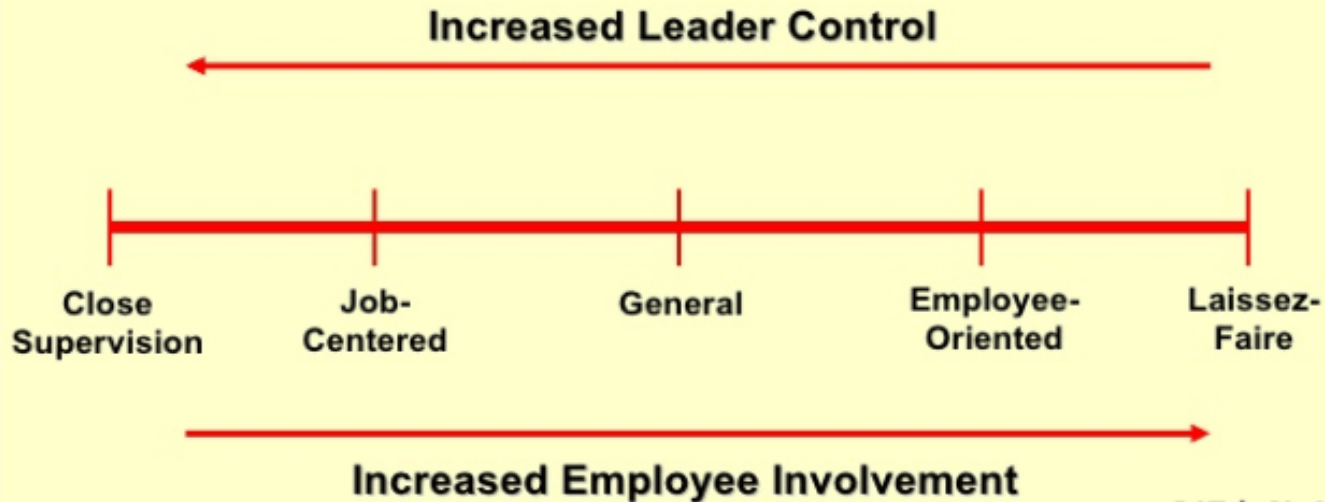
## **DIMENSIONS OF LEADER BEHAVIOR**

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# Michigan Leadership Studies

## Michigan Studies

### Leadership Behavior Continuum



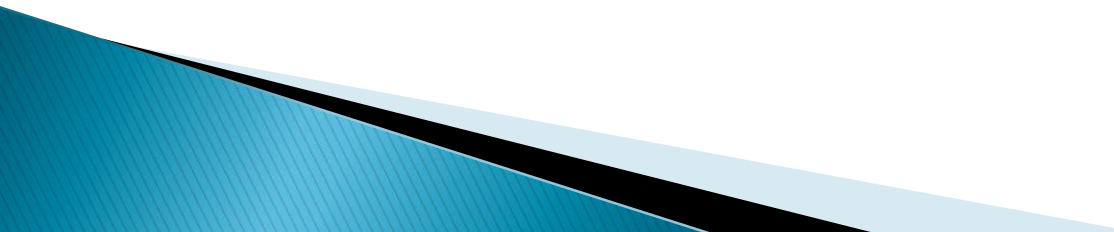
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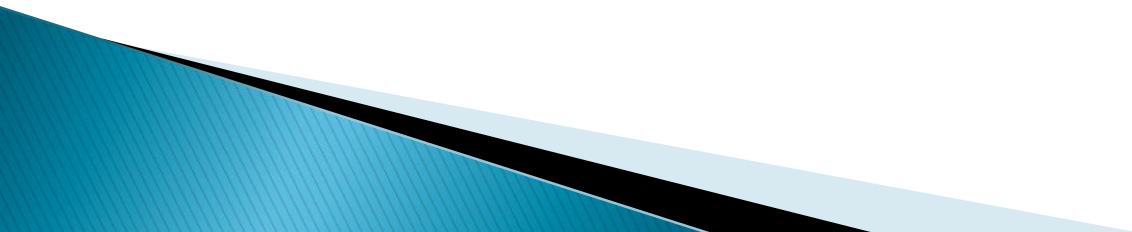
## **Unit-II**

### **Contingency leadership**

# Contingency theory

- ▶ Gill (2011) explains, “Contingency theories suggest that there is no one best style of leadership. Successful and enduring leaders will use various styles according to the nature of the situation and the followers.”
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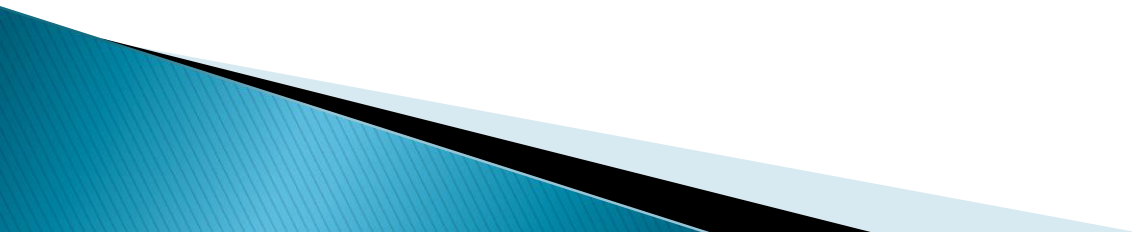
which leadership style is most effective?

- ▶ The maturity levels of the subordinates or followers
  - ▶ Whether the relationship between the leader and the followers is a positive one
  - ▶ The clarity of the task at hand
  - ▶ The amount of personal power held by the leader
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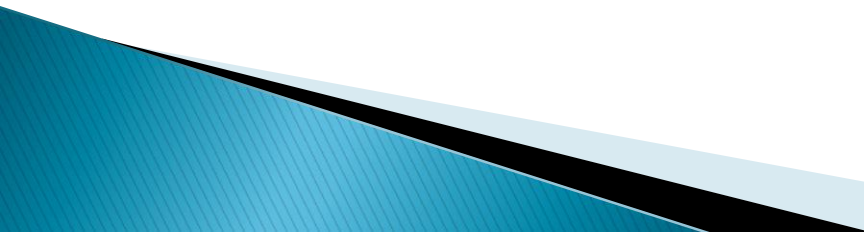
# Fiedler's Contingency Theory

Fred E. Fiedler's contingency theory of leadership effectiveness was based on studies of a wide range of group effectiveness, and concentrated on the relationship between leadership and organizational performance.

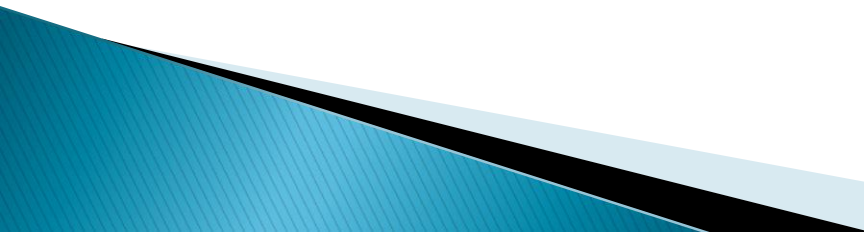


# Leader's trait

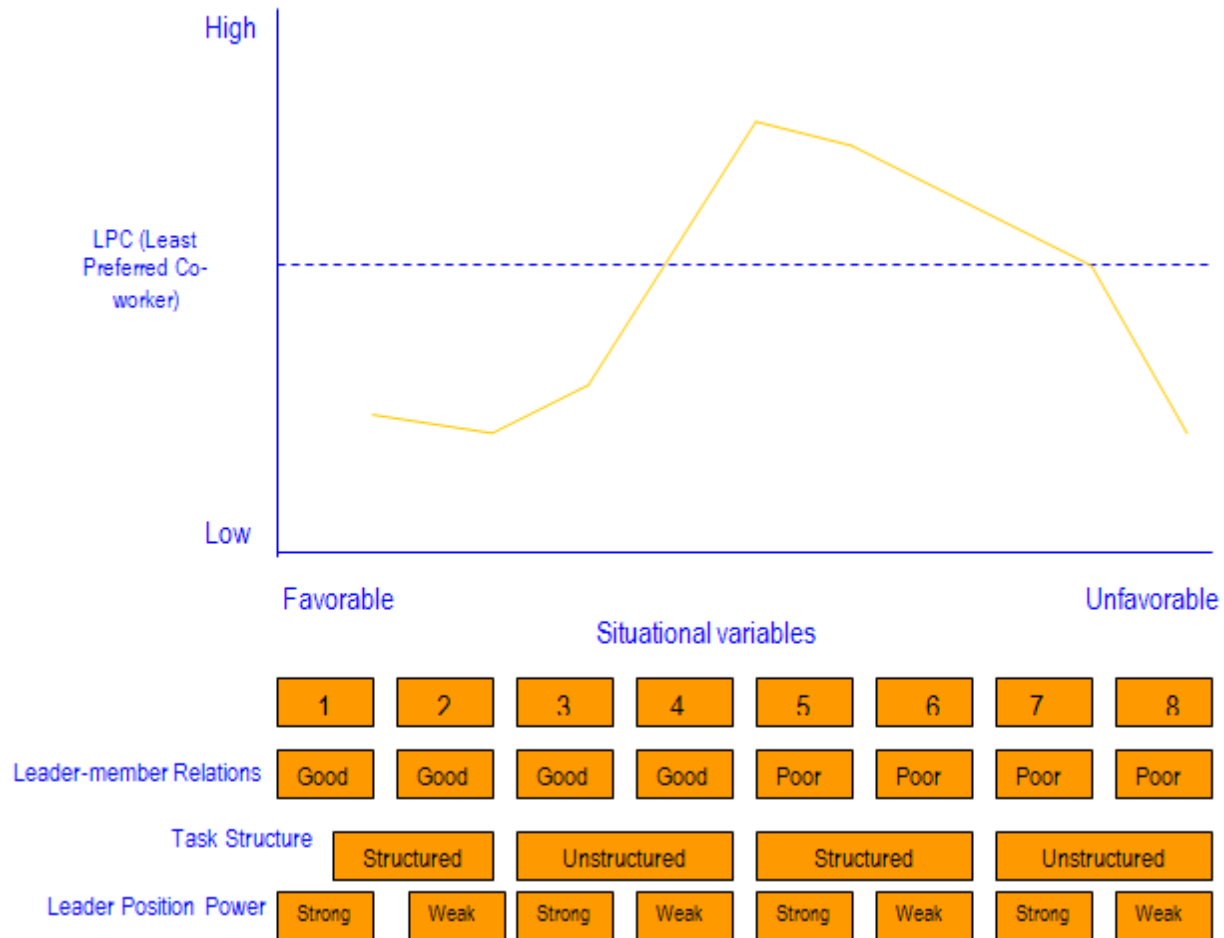
The items in the LPC scale are pleasant / unpleasant, friendly / unfriendly, rejecting / accepting, unenthusiastic / enthusiastic, tense / relaxed, cold / warm, helpful / frustrating, cooperative / uncooperative, supportive / hostile, quarrelsome / harmonious, efficient / inefficient, gloomy / cheerful, distant / close, boring / interesting, self-assured / hesitant, open / guarded. Each item in the scale is given a single ranking of between one and eight points, with eight points indicating the most favorable rating.



# Situational variables

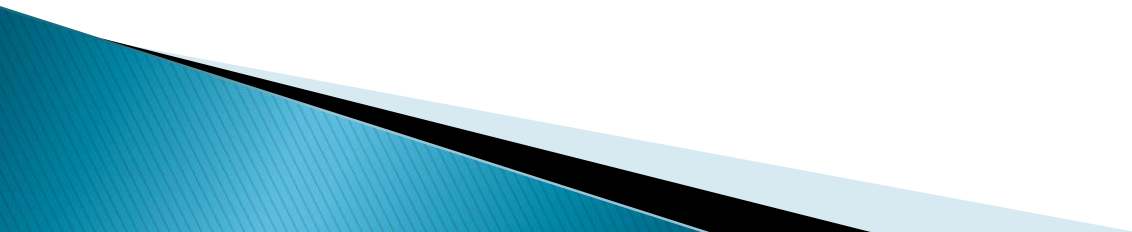
- ▶ **Leader-member relations** - The degree to which the leaders is trusted and liked by the group members, and the willingness of the group members to follow the leader's guidance
  - ▶ **Task structure** - The degree to which the group's task has been described as structured or unstructured, has been clearly defined and the extent to which it can be carried out by detailed instructions
  - ▶ **Position power** - The power of the leader by virtue of the organizational position and the degree to which the leader can exercise authority on group members in order to comply with and accept his direction and leadership
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# Situational variables



# Leadership Effectiveness

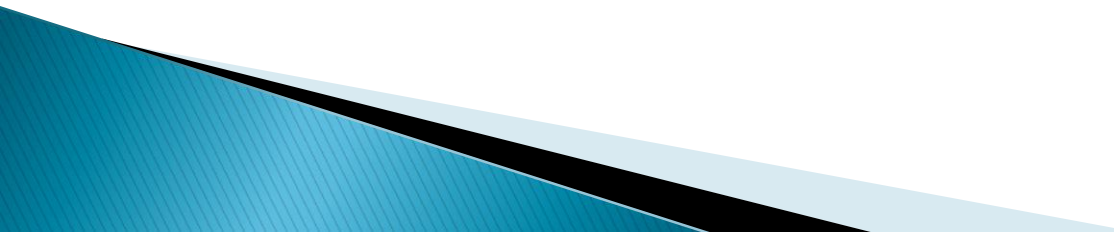
The leader's effectiveness is determined by the interaction of the leader's style of behavior and the favourableness of the situational characteristics. The most favorable situation is when leader-member relations are good, the task is highly structured, and the leader has a strong position power.



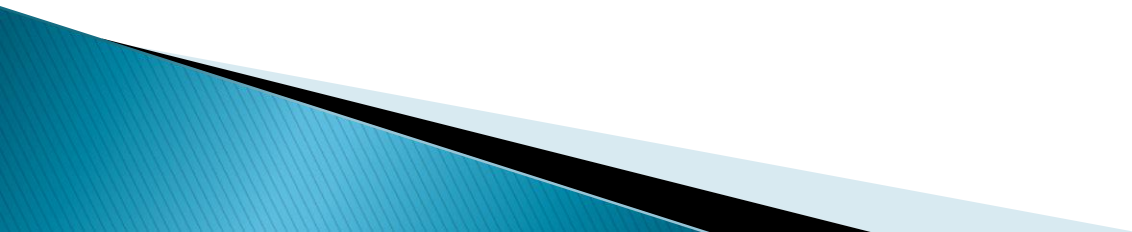
# Strengths of Contingency approach

Fiedler's contingency model measures the effectiveness of a group's performance based on the leadership style and the situation of the group. It is used to help management choose suitable leaders for each work group type. According to the model, there are two types of leadership styles: task-motivated and relationship-motivated. The group's situation is a technical term determined by three factors: the relationship between the group members and the leader; the task structure, or how clearly goals and procedures are defined; and the position of power, or capability of the leader to use reward and punishment to control group members.

# Strengths of Contingency approach

- ▶ Prescriptive
  - ▶ Expertise and Research
  - ▶ Leader Identification
  - ▶ Flexibility
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# Limitations

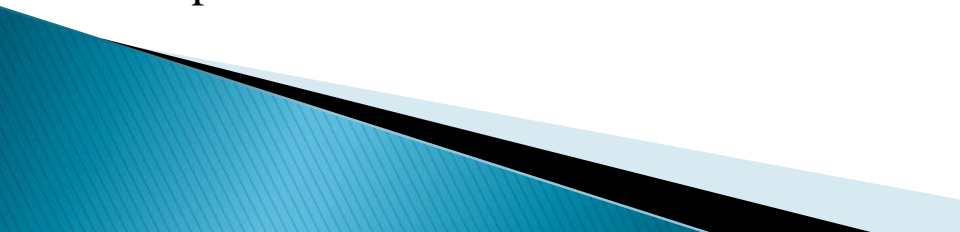
- ▶ Inadequate Literature
  - ▶ Complex
  - ▶ Difficult Empirical Testing
  - ▶ Reactive not Proactive
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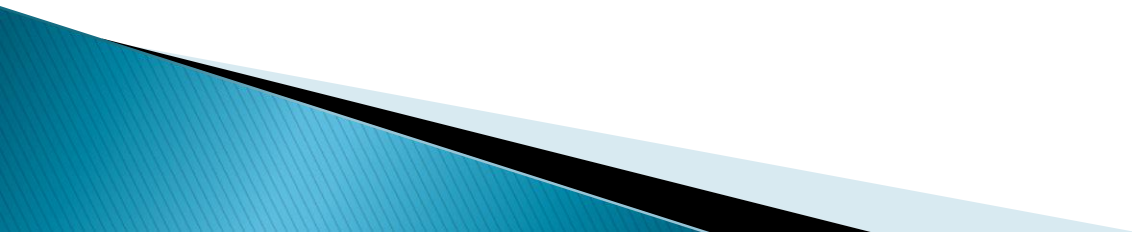
# Applications of Contingency Approach

Contingency theory has many applications in the organizational world. It can be used to answer a host of questions about the leadership of individuals in various type of organizations. For example, it can be used to explain why a person is ineffective in a particular position even though the person is a conscientious, loyal and hardworking manager.

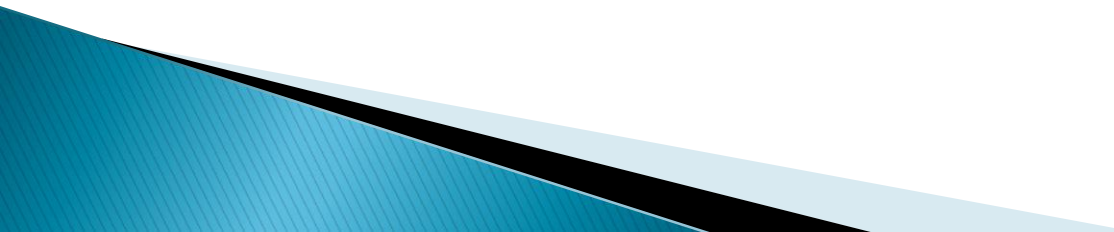
In addition, the theory can be used to predict whether a person who has worked well in one position in the same company. Further-more, contingency theory can point to changes that upper management might like to make in a lower-level position in order to guarantee a good fit between an existing manager and a particular work context.



# Path- Goal theory of leadership

- ▶ Obstacle(s)
  - ▶ Followers
  - ▶ Path
  - ▶ Path
  - ▶ Goal(s) (Productivity)
- 

# Path- Goal theory of leadership

- ▶ **Leader Behaviors**
    - ▶ Directive Supportive Participative
    - ▶ Achievement oriented
  - ▶ **Follower Characteristics**
  - ▶ **Task Characteristics**
- 

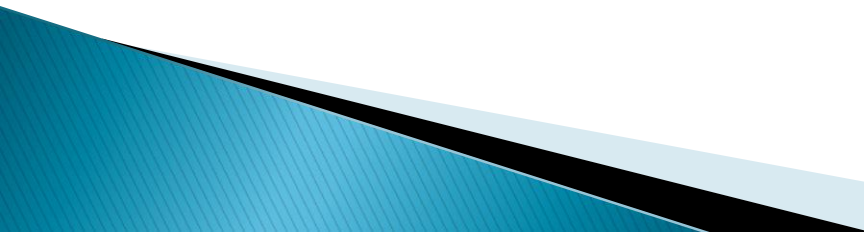
# STRENGTHS

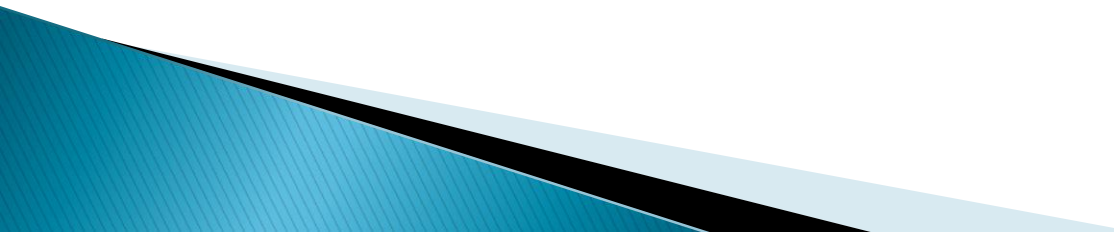
First, path–goal theory provides a useful theoretical framework for understanding how various leadership behaviors affect followers’ satisfaction and work performance. It was one of the first theories to specify four conceptually distinct varieties of leadership

A second positive feature of path–goal theory is that it attempts to integrate the motivation principles of expectancy theory into a theory of leadership. This makes path–goal theory unique because no other leadership approach deals directly with motivation in this way.

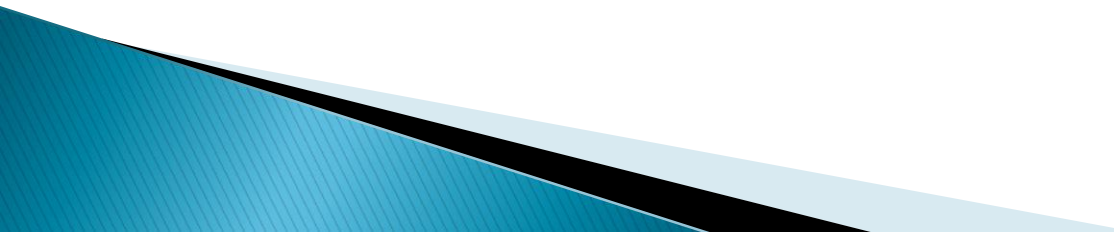
A third strength, and perhaps its greatest, is that path-goal theory provides a model that in certain ways is very practical. The representation of the model underscores and highlights the important ways leaders help followers.

# CRITICISMS

- ▶ First, path–goal theory is so complex and incorporates so many different aspects of leadership that interpreting the theory can be confusing.
  - ▶ A second limitation of path–goal theory is that it has received only partial support from the many empirical research studies that have been conducted to test its validity (House & Mitchell, 1974; Indvik, 1986; Schriesheim, Castro, Zhou, & DeChurch, 2006; Schriesheim & Kerr, 1977; Schriesheim & Schriesheim, 1980; Stinson & Johnson, 1975; Wofford & Liska, 1993).
- 

- ▶ Another criticism of path–goal theory is that it fails to explain adequately the relationship between leadership behavior and follower motivation.
  - ▶ A final criticism that can be made of path–goal theory concerns a practical outcome of the theory. Path–goal theory suggests that it is important for leaders to provide coaching, guidance, and direction for followers, to help followers define and clarify goals, and to help followers around obstacles as they attempt to reach their goals.
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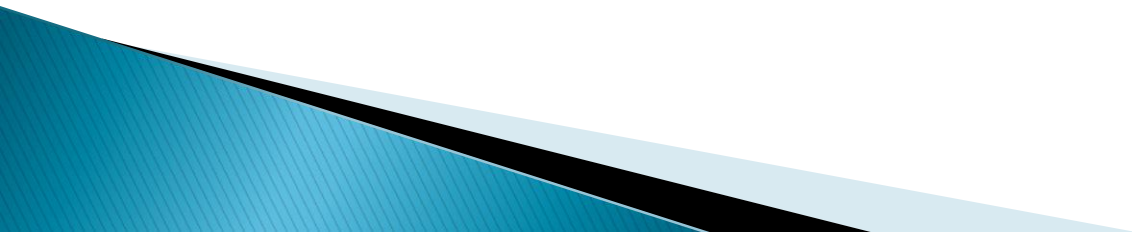
# APPLICATIONS

- ▶ Path–goal theory is not an approach to leadership for which many management training programs have been developed. You will not find many seminars with titles such as “Improving Your Path–Goal Leadership” or “Assessing Your Skills in Path–Goal Leadership,” either. Nevertheless, path–goal theory does offer significant insights that can be applied in ongoing settings to improve one’s leadership.
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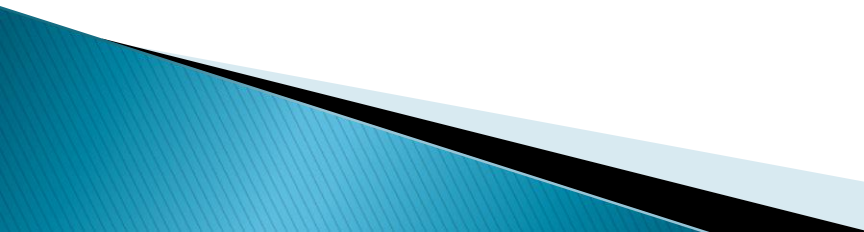
# **Unit – III**

## **Transformational Leadership**

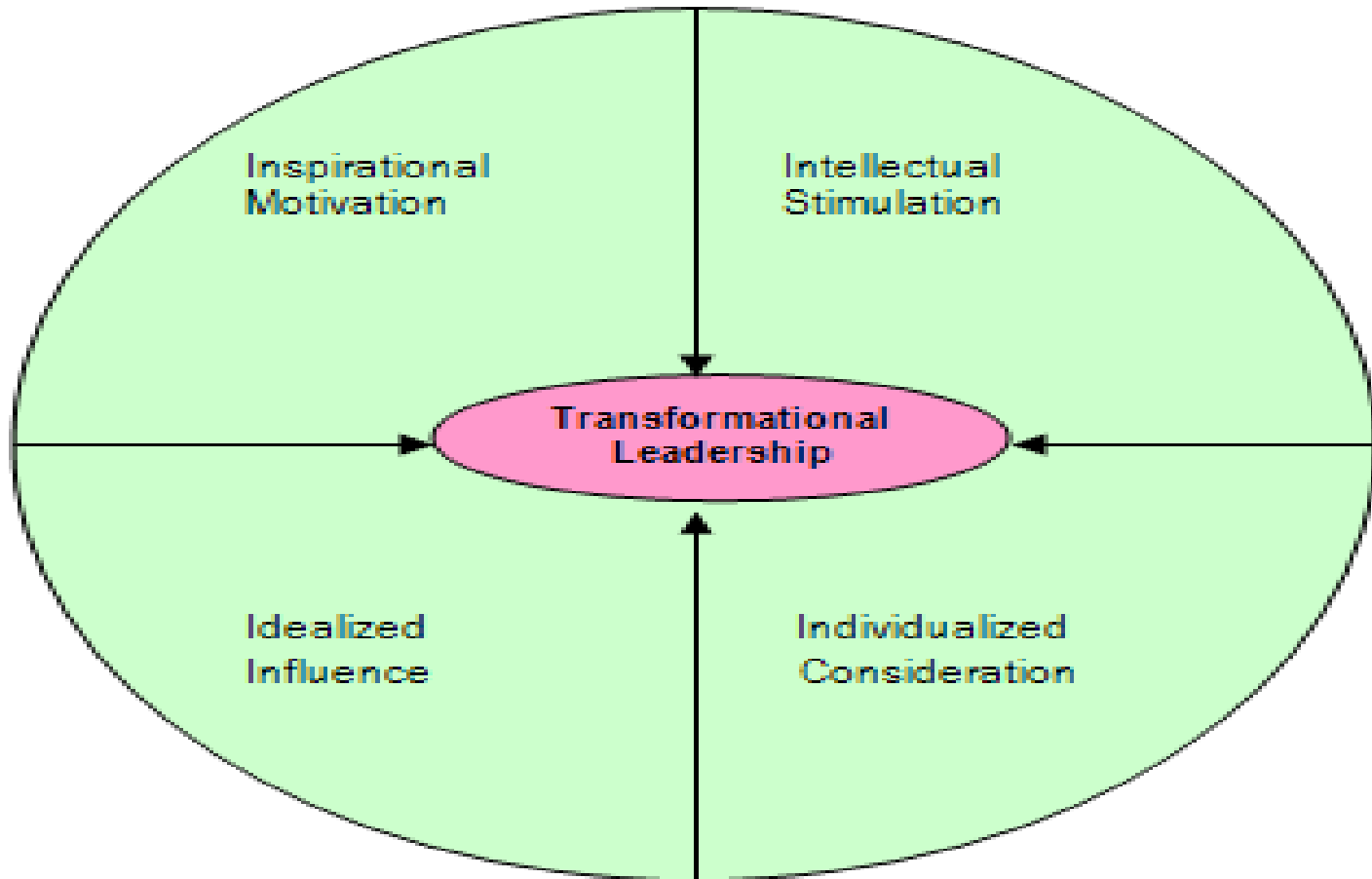


# **A model of transformational Leadership**

Creating high-performance workforce has become increasingly important and to do so business leaders must be able to inspire organizational members to go beyond their task requirements. As a result, new concepts of leadership have emerged - transformational leadership being one of them.




# Model of Transformational Leadership



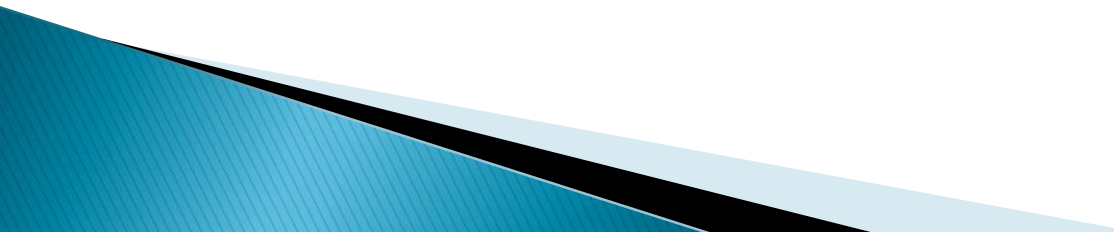
# Transformational leadership

## Definition

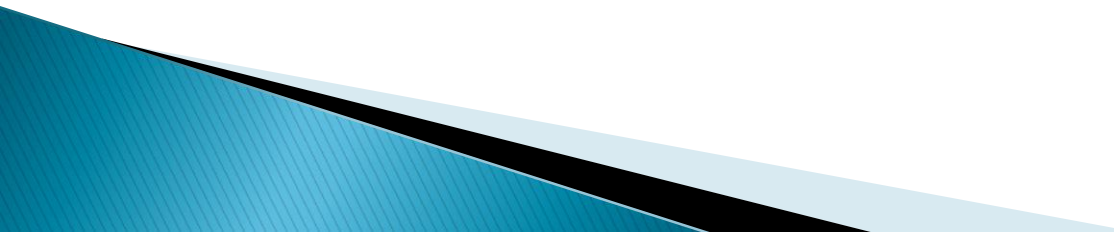
Transformational leaders are sometimes called quiet leaders. They are the ones that lead by example. Their style tends to use rapport, inspiration, or empathy to engage followers. They are known to possess courage, confidence, and the willingness to make sacrifices for the greater good.



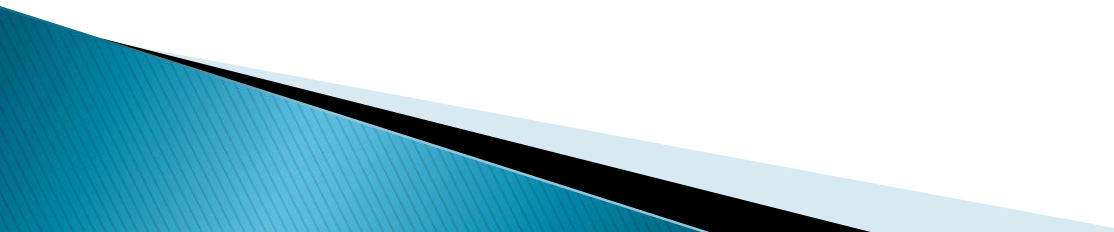
# Strengths of Transformational Leadership

- ▶ The transformational leadership style draws on assorted capabilities and approaches to leadership, creating distinct strengths for the organization. A leader using this approach possesses integrity, sets a good example and clearly communicates his goals to his followers. He expects the best from them.
  - ▶ **Exceptional People Skills**
  - ▶ **Lower Employee and Customer Turnover Costs**
  - ▶ **New Initiatives**
  - ▶ **Corporate Learning**
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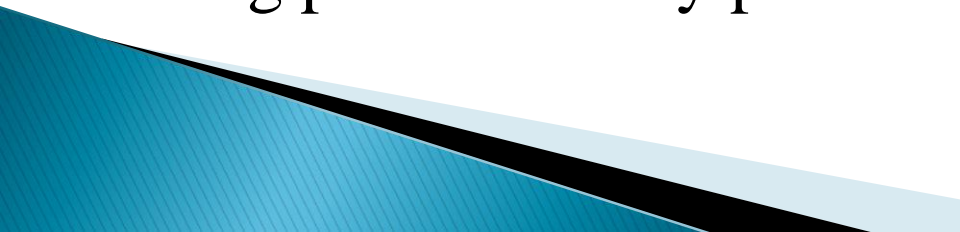
# Criticisms of Transformational Leadership

- ▶ Assumes Follower Motivation
  - ▶ Time-Consuming
  - ▶ Depends on the Individual
  - ▶ Lacks Application Details
  - ▶ Potential for Abuse
- 

# Application of Transformational Leadership

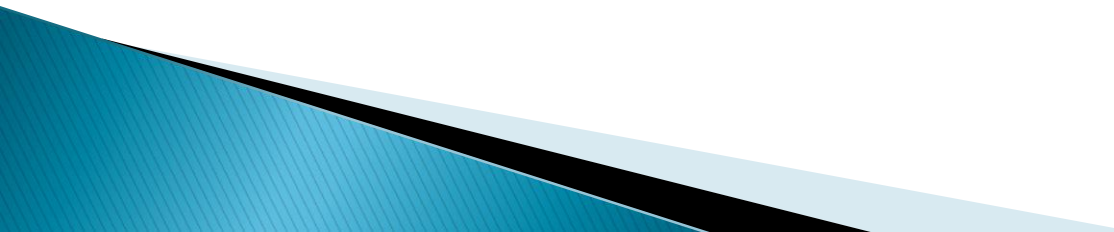
- ▶ It provides a general way of thinking about leadership that emphasizes ideas, inspiration, innovations and individual concerns. Transformational leadership requires that leaders be aware of how their own behavior relates to the needs of their subordinates and the changing dynamics within their organizations.
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# Servant Leadership

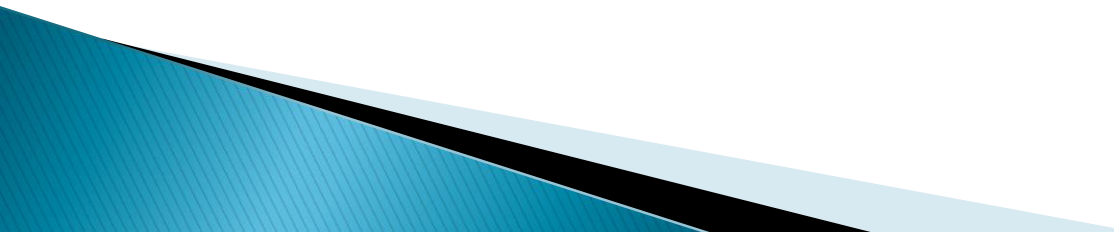
- ▶ Servant leadership is a very social leadership style. It places the needs of others in high regard. Servant leaders address the responsibilities and relationships in society, organizations, and companies.
  - ▶ Servant leaders are constructive, persistent, and motivating. They are also the leaders who see complex, big pictures. They permeate all areas of our culture.
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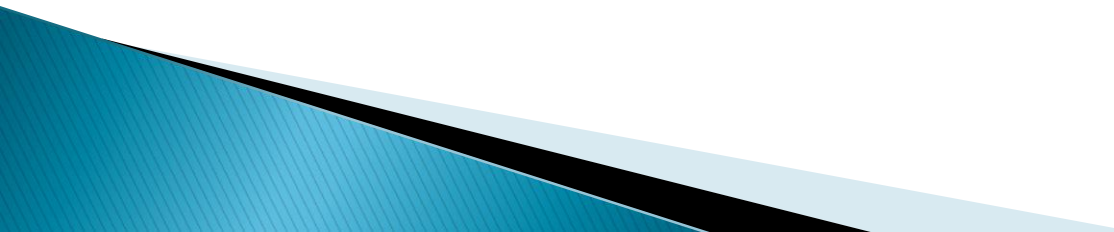


# Ten Characteristics of a Servant Leader

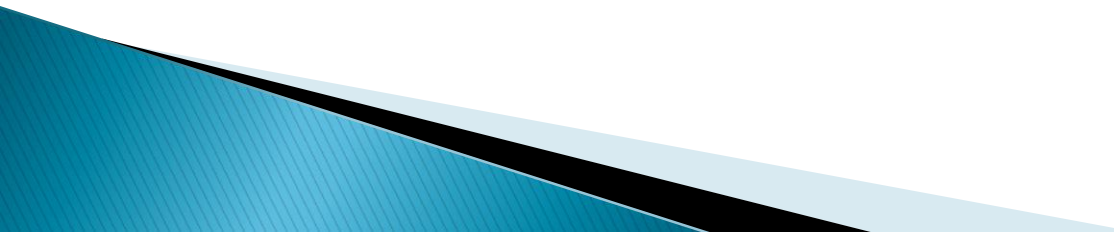
- ▶ Listening
  - ▶ Empathy
  - ▶ Healing
  - ▶ Awareness
  - ▶ Persuasion
  - ▶ Conceptualization
  - ▶ Foresight
  - ▶ Stewardship
  - ▶ Commitment to the growth of people
  - ▶ Building community
- 

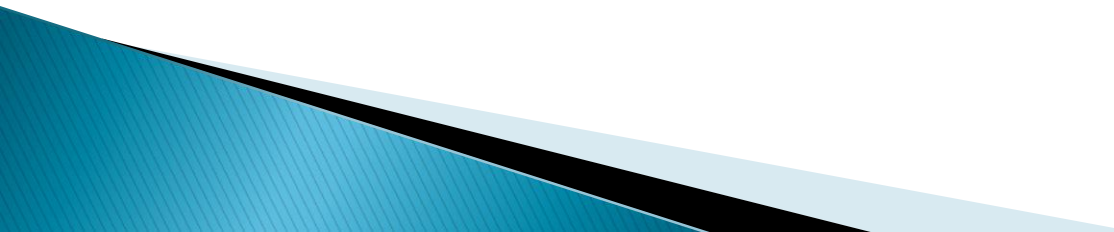
# Strengths of Servant Leadership

- ▶ The first strength of servant leadership we will discuss here is implied in the description. Service is at the centre of servant leadership.
  - ▶ The second strength is the removal of a disciplinarian atmosphere. They do not make policies by themselves to be imposed on others but administer the policies through listening.
  - ▶ The third strength is linked with the second. Servant leadership gives a sense of ownership to work.
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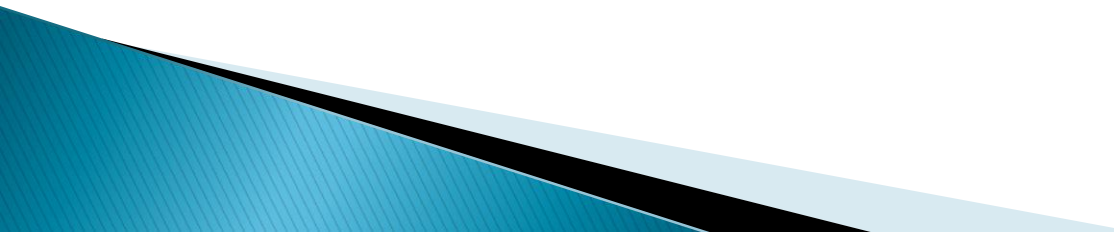
- ▶ The fourth strength is that of diversity. Within every group there are a variety of personalities, talents, traits and modes of operation.
  - ▶ The fifth strength is involvement. Servant leadership has a sense of involvement to its decision making processes.
- 

# Criticisms of Servant Leadership

- ▶ The first criticism is the timescale for such a venture. Servant leadership requires a change in attitudes and mentality in order to work successfully.
  - ▶ The second criticism would be a lack of willingness to adapt to this style of leadership. Servant leadership would require a whole institution approach rather than individuals engaging in it on their own.
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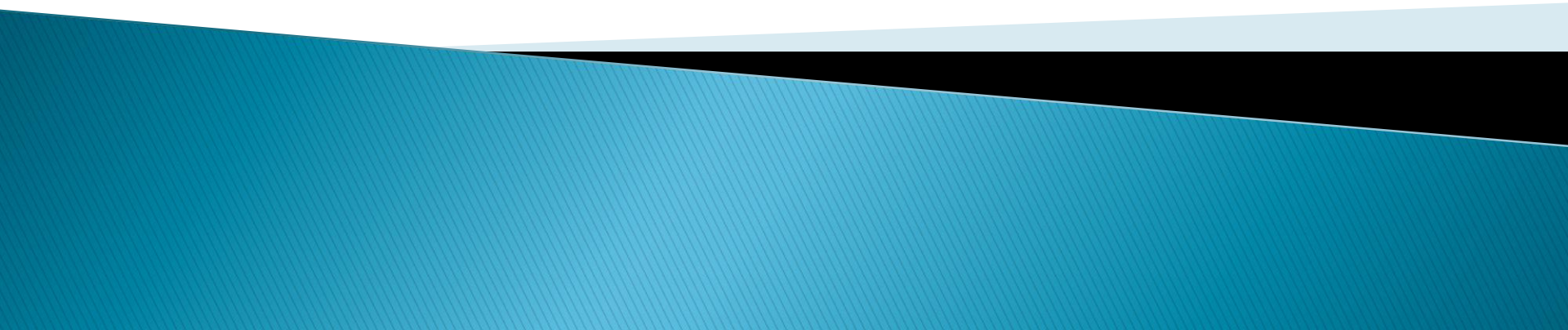
- ▶ The third criticism is the lack of authority which may result from this style of leadership. By divesting a share of responsibility to all members of a group, the leader may in fact diminish their own sense of authority.
  - ▶ The fourth criticism is confusion regarding the goals of leadership. It must be asked if the manager is there to serve the needs of the employees or to meet the goals of the institution to which they are employed.
- 

# Applications of Servant Leadership

- ▶ Servant-Leadership as an Institutional Model
  - ▶ Education and Training of Non profit Trustees
  - ▶ Community Leadership Programs
  - ▶ Service-Learning Programs
  - ▶ Leadership Education
  - ▶ Personal Transformation
- 

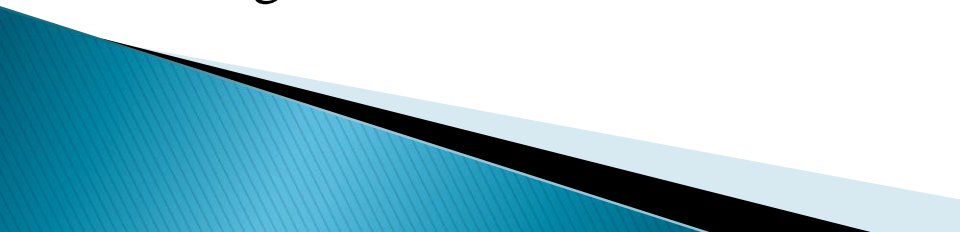
# UNIT-IV

## ORGANIZATIONAL DESIGN AND CHANGE



# Levels Of Strategic Changes

Strategic change can be viewed as a continuum running from no variation in strategy to a complete change in an organization's mission. For analytic purposes, it useful to divide strategic change into the five discrete stages:

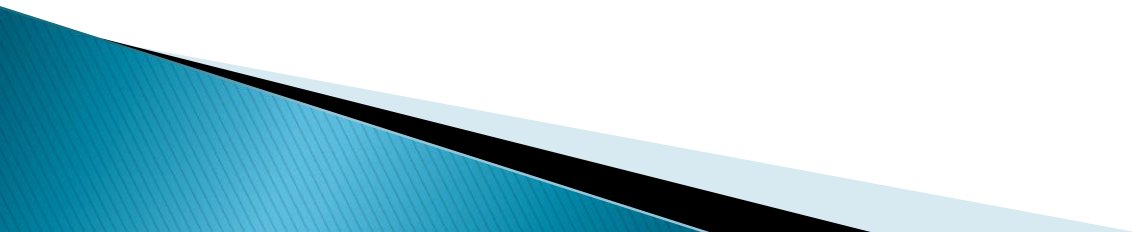
- ❖ Continuation Strategy
  - ❖ Routine Strategy Change
  - ❖ Limited Strategy Change
  - ❖ Radical Strategy Change
  - ❖ Organizational Redirection
- 



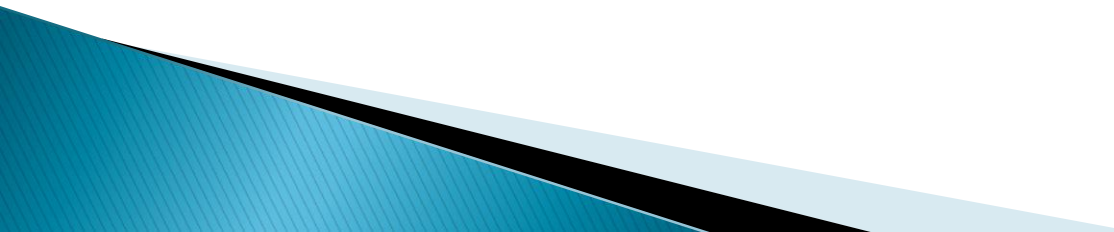
# The Phases Of Strategic Change

The process of strategic change can be thought of as having two phases: readiness for change and implanting change. The main characteristics of these phases and the common obstacles to passing through them.

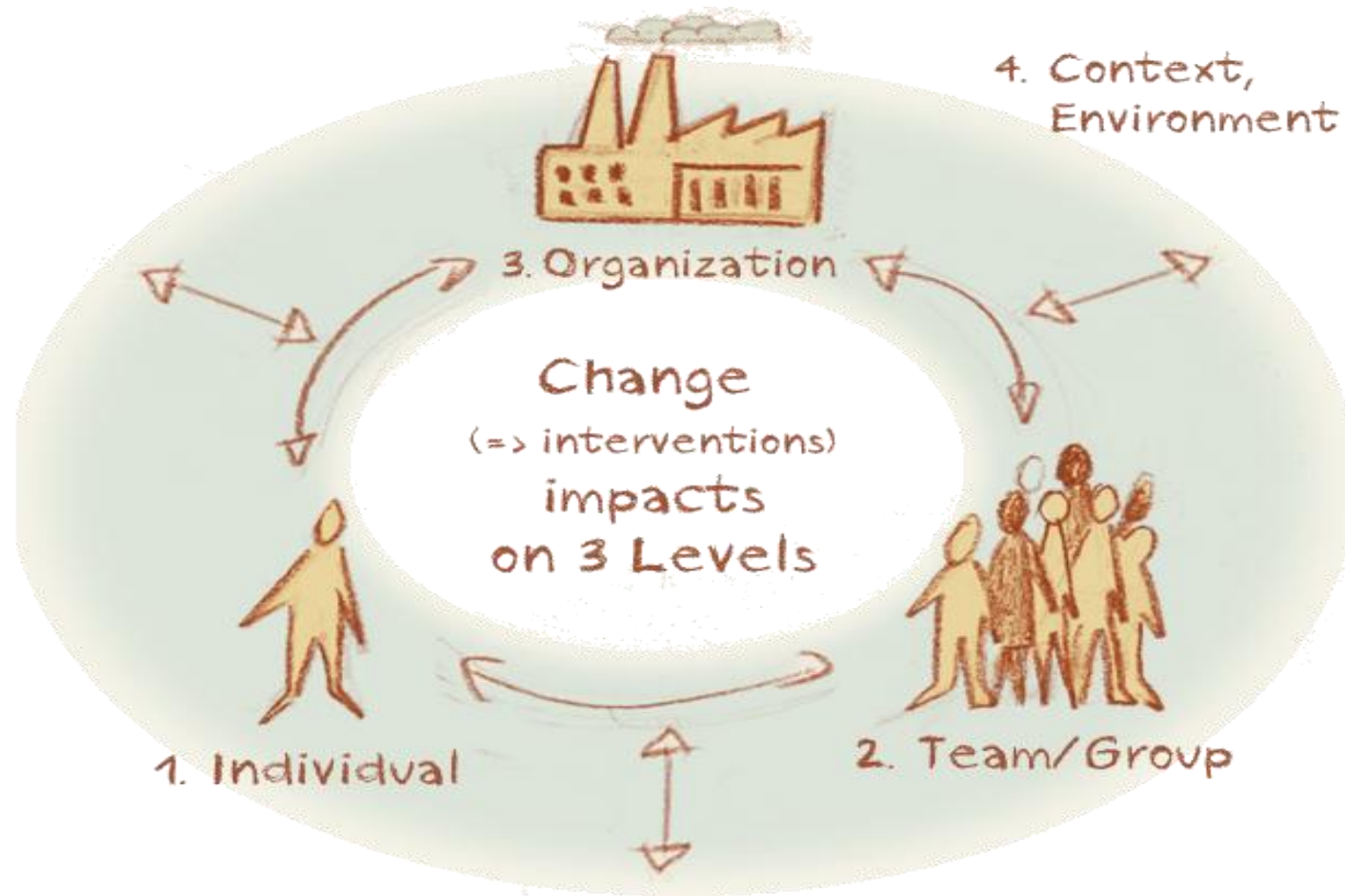
## ▶ **Phase One Of Strategic Change**

- Readiness for change
  - Awareness and understanding
  - Capability
  - Commitment
- 

## **Phase Two Of Strategic Change**

- ❖ **Implanting change**
  - ❖ **Adoption**
  - ❖ **Reinforcement**
  - ❖ **Recycling**
- 

# GROUP, TEAM, INDIVIDUAL LEVEL CHANGE



4. Context, Environment



3. Organization

2. Team/Group

1. Individual



# Individual Level



- ▶ Change usually is seen as a threat and therefore leads to fear and resistance. The Resistance of an individual towards a change depends on two factors:
  1. Does someone feel affected by the change? No | Yes go to 2nd
  2. If yes, is it perceived positive or as negative [a threat/a loss] ==> Fear / Resistance? Often there is a big discrepancy between the felt impact and the real impact on a person. Unfortunately as long as we deal with human beings, we have to deal with what is felt, the emotions not with what is “real”.

# Group / Team Level



- ▶ Changes often affect groups or teams, this can happen from the outside or from the inside. They have to adapt to new situations, processes, systems and tasks. They are set up, composed newly or ceased; they are transferred to somewhere else ... Severe changes inevitably create dynamics in the team/ group which are likely to affect it's communication, interaction and cooperation in the in & outside.



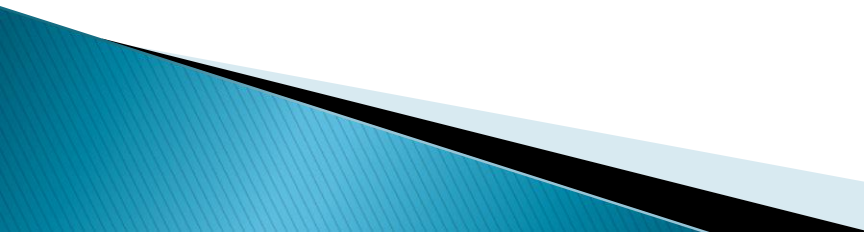
# Organizational Level



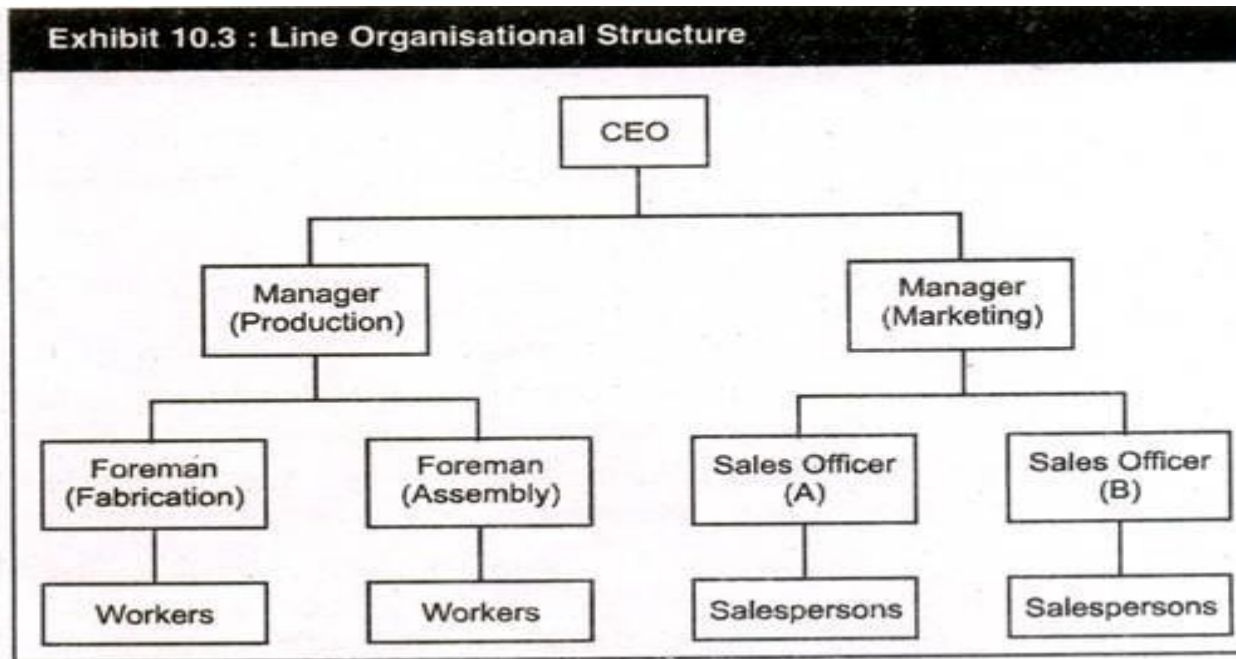
- ▶ Sometimes entire parts of or even the entire organizations need to change. These are normally the severest changes that can happen. [E.G. impact of Carve out on Organization: massive organizational insecurity, Alienation although still part of the old organization, insider/ outsider question, cut interfaces / processes, new systems and procedures...].

# Organizational Structures

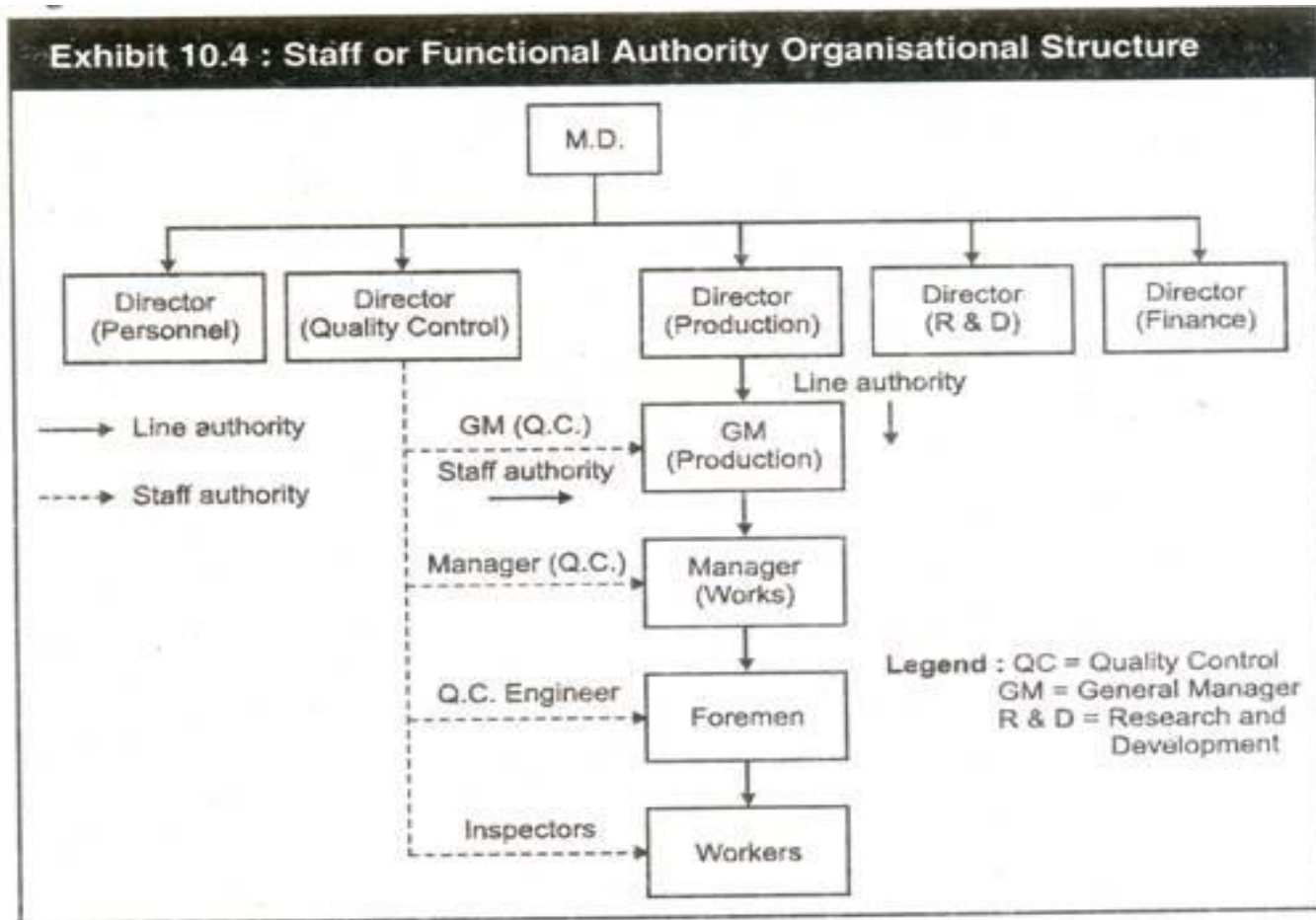
Formal organisational structures are categorised as:

- ▶ Line organisational structure.
  - ▶ Staff or functional authority organisational structure.
  - ▶ Line and staff organisational structure.
  - ▶ Committee organisational structure.
  - ▶ Divisional organisational structure.
  - ▶ Project organisational structure.
  - ▶ Matrix organisational structure and
  - ▶ Hybrid organisational structure.
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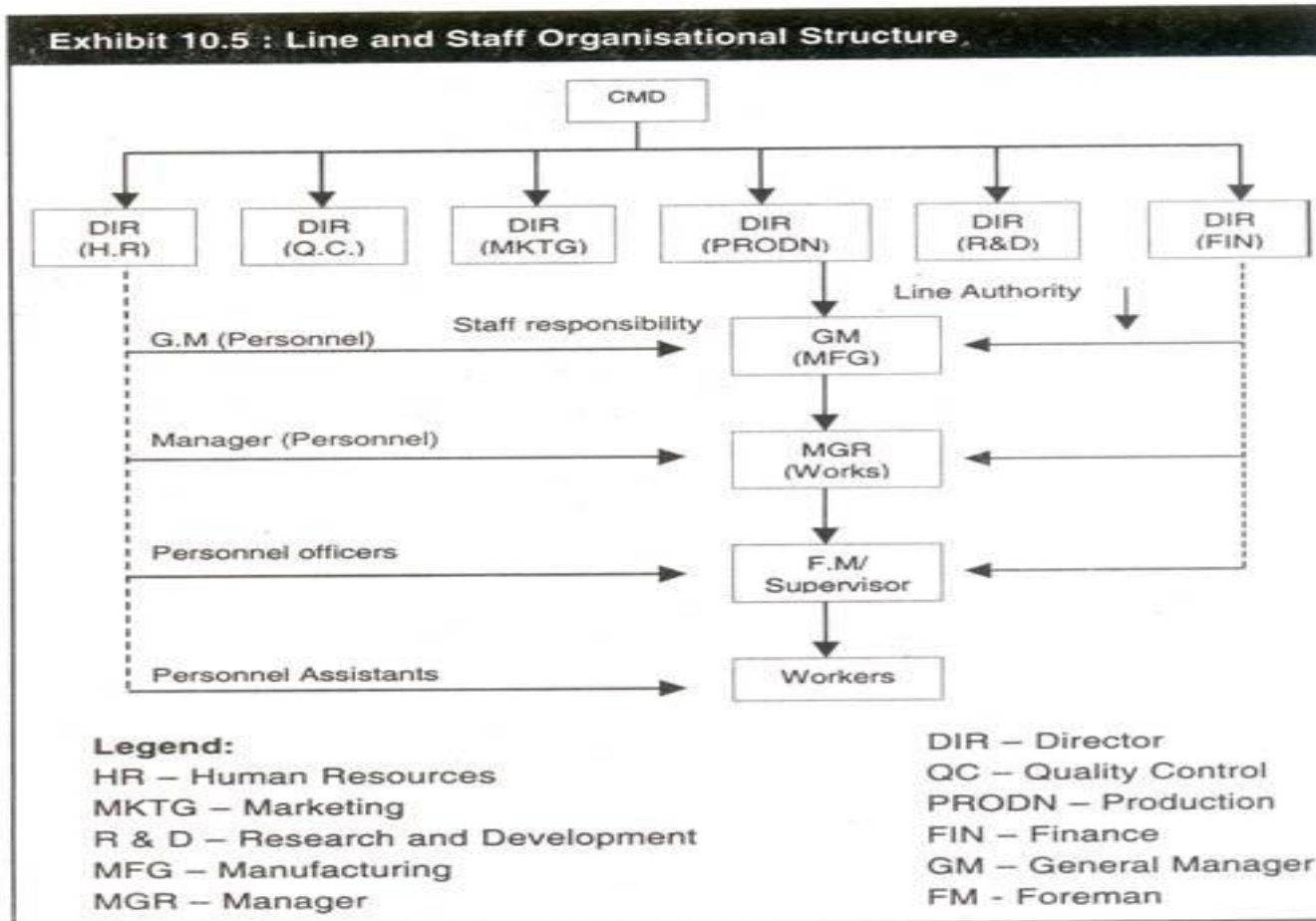
# Line Organisational Structure



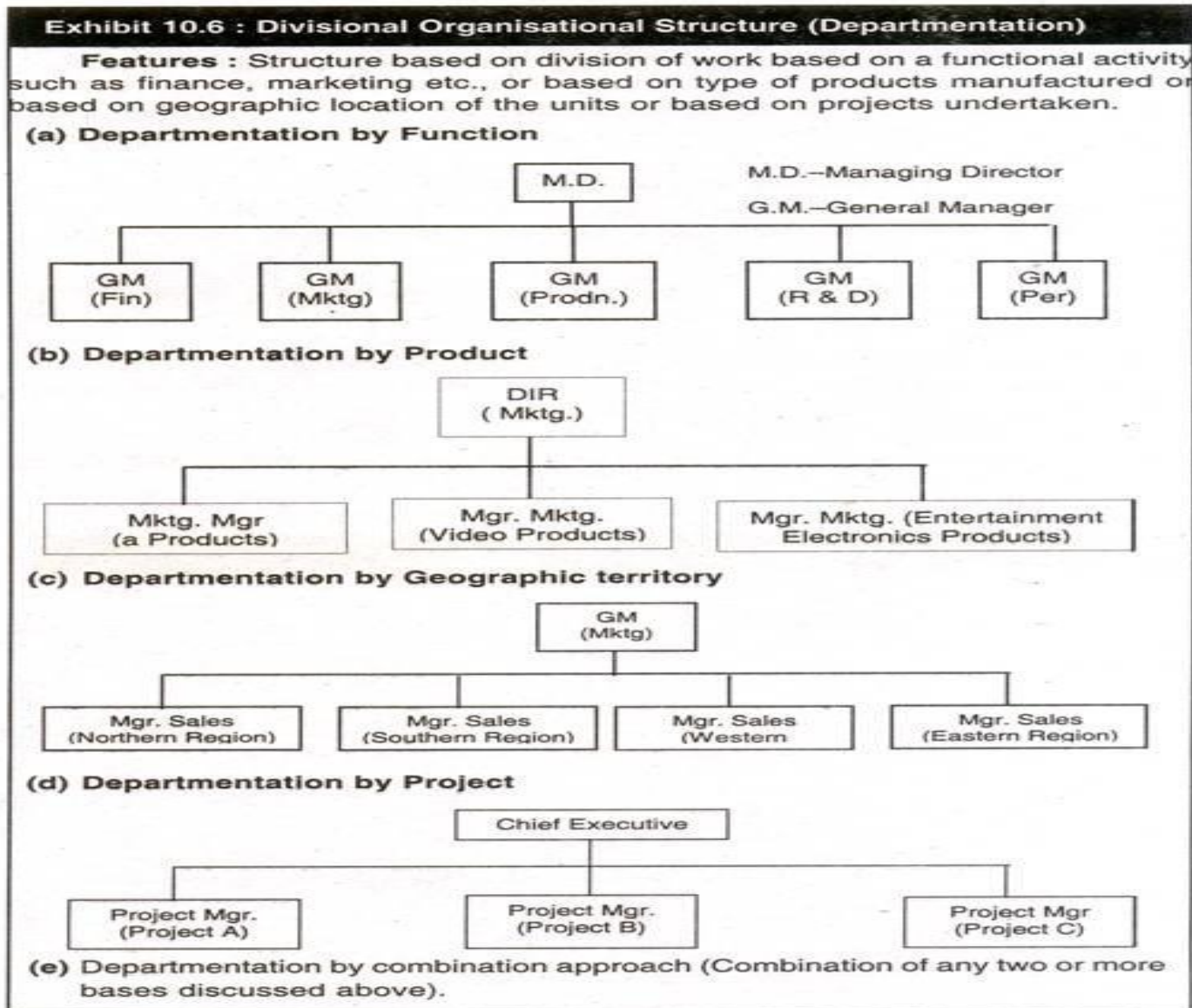
# Staff or Functional Authority Organisational Structure



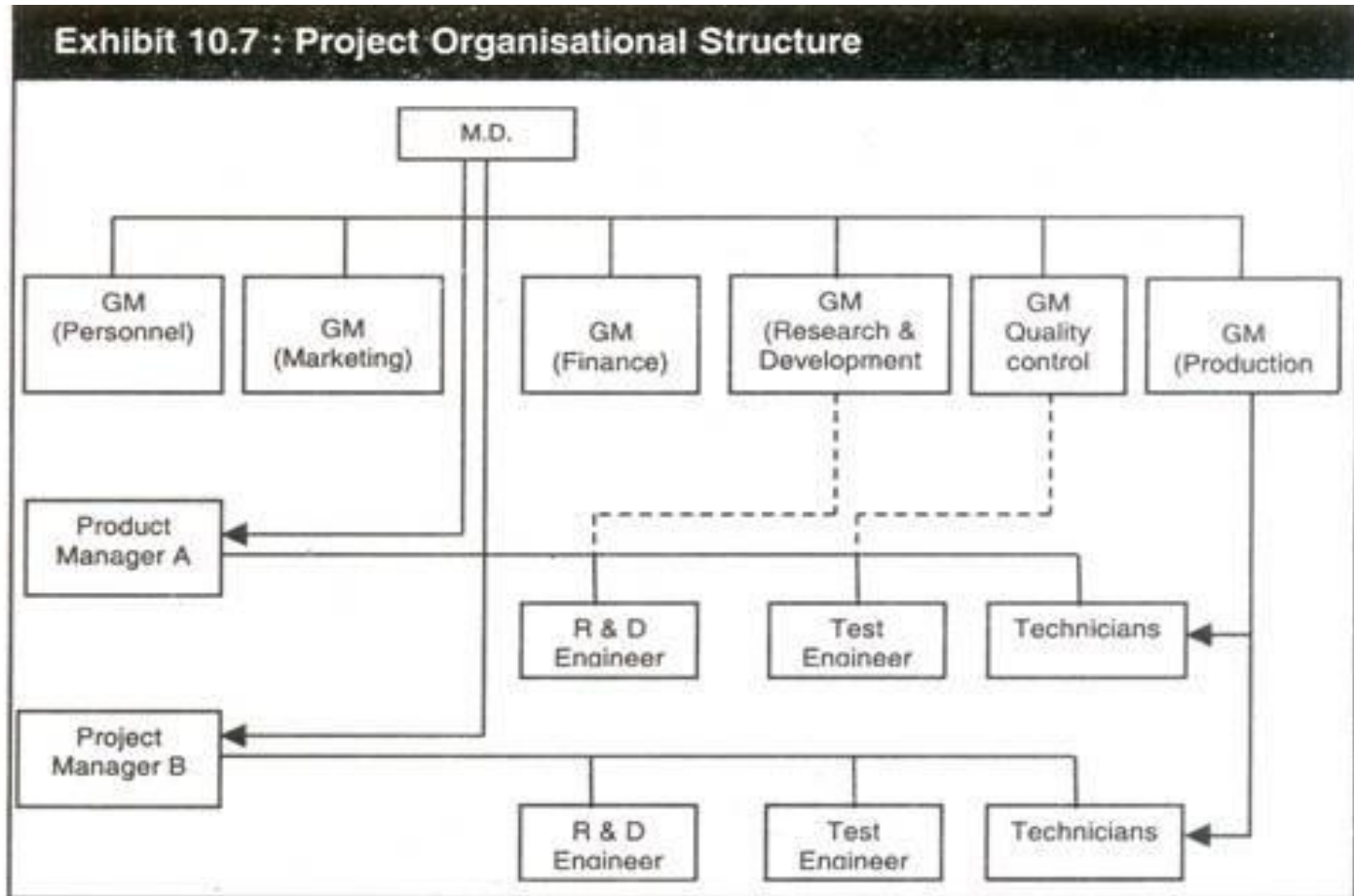
# Line and Staff Organisational Structure



# Divisional Organisational Structure



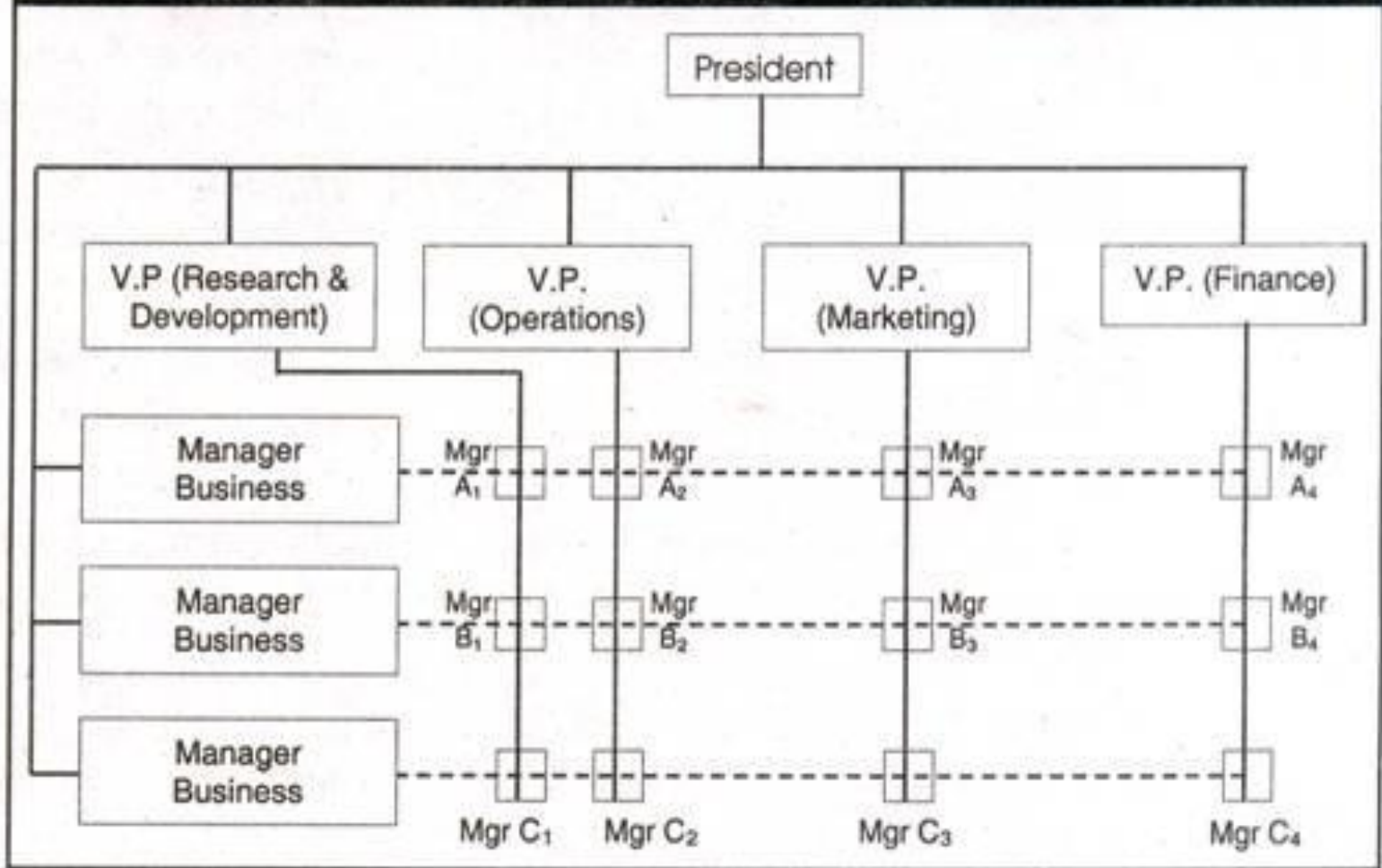
# Project Organisational Structure





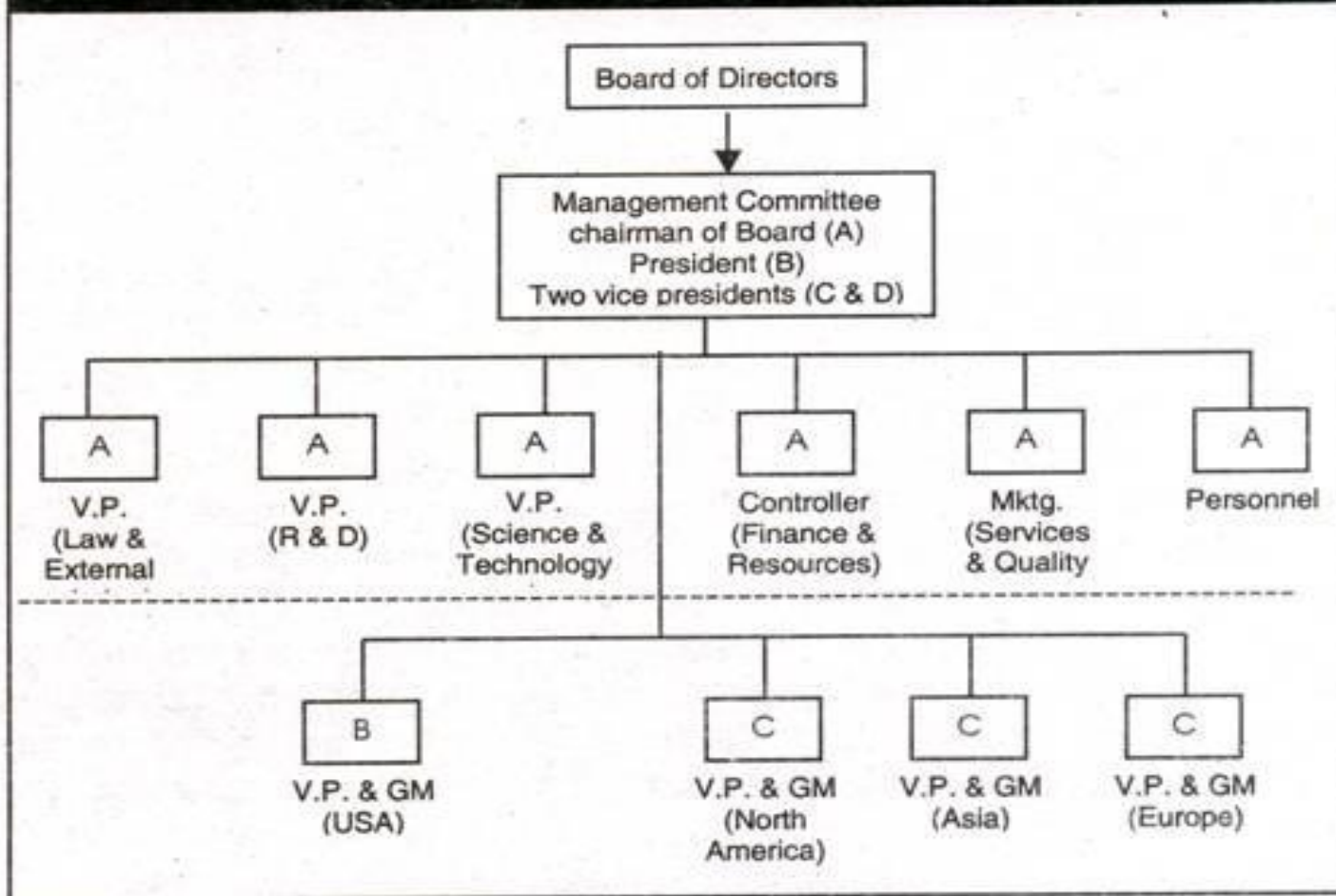
# Matrix Organisational Structure

Exhibit 10.8 : Matrix Organisational Structure

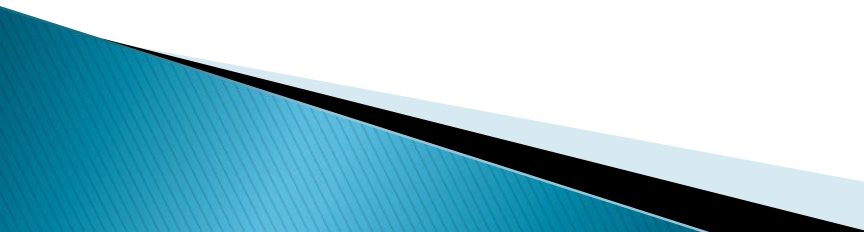


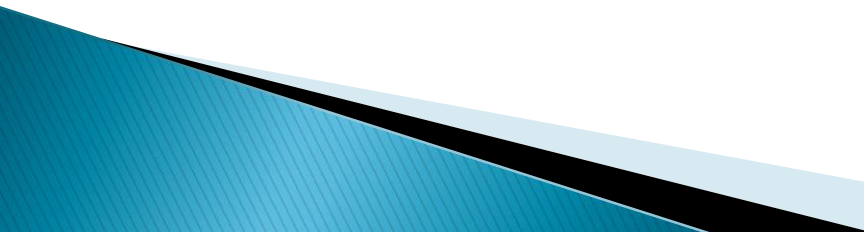
# Hybrid Organisational Structure

Exhibit 10.9 (a) : Hybrid Organisational Structure (IBM Structure)



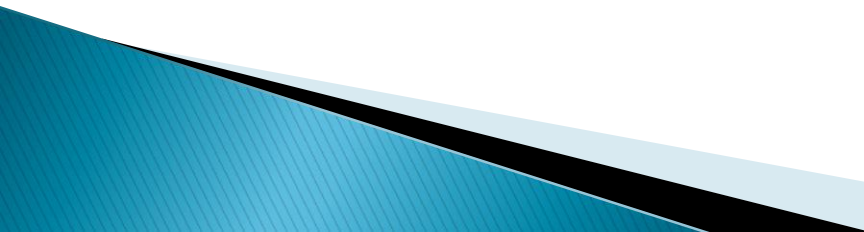
# Organization Culture

- ▶ The culture decides the way employees interact at their workplace. A healthy culture encourages the employees to stay motivated and loyal towards the management.
  - ▶ The culture of the workplace also goes a long way in promoting healthy competition at the workplace. Employees try their level best to perform better than their fellow workers and earn recognition and appreciation of the superiors. It is the culture of the workplace which actually motivates the employees to perform.
  - ▶ Every organization must have set guidelines for the employees to work accordingly. The culture of an organization represents certain predefined policies which guide the employees and give them a sense of direction at the workplace. Every individual is clear about his roles and responsibilities in the organization and know how to accomplish the tasks ahead of the deadlines.
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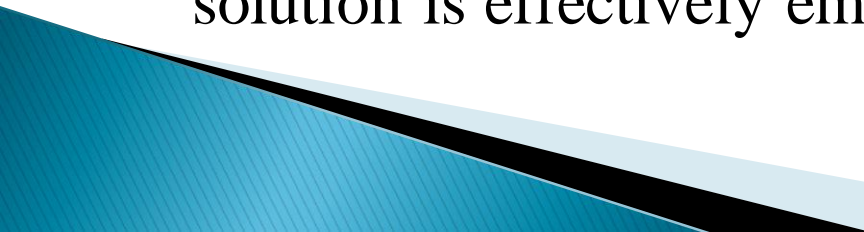
- ▶ No two organizations can have the same work culture. It is the culture of an organization which makes it distinct from others. The work culture goes a long way in creating the brand image of the organization. The work culture gives an identity to the organization. In other words, an organization is known by its culture.
  - ▶ The organization culture brings all the employees on a common platform. The employees must be treated equally and no one should feel neglected or left out at the workplace. It is essential for the employees to adjust well in the organization culture for them to deliver their level best.
  - ▶ The work culture unites the employees who are otherwise from different back grounds, families and have varied attitudes and mentalities. The culture gives the employees a sense of unity at the workplace.
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# Three Levels of Change Management

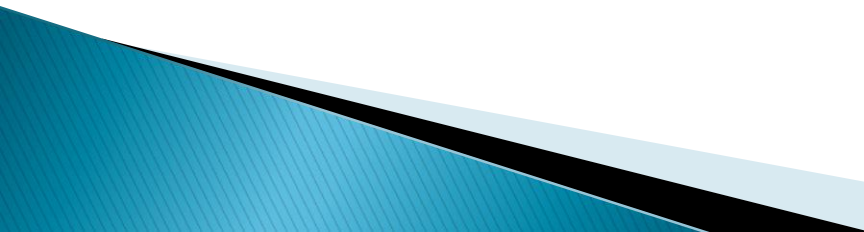
## INDIVIDUAL CHANGE MANAGEMENT

- ▶ While it is the natural psychological and physiological reaction of humans to resist change, we are actually quite resilient creatures. When supported through times of change, we can be wonderfully adaptive and successful.
  - ▶ Individual change management requires understanding how people experience change and what they need to change successfully.
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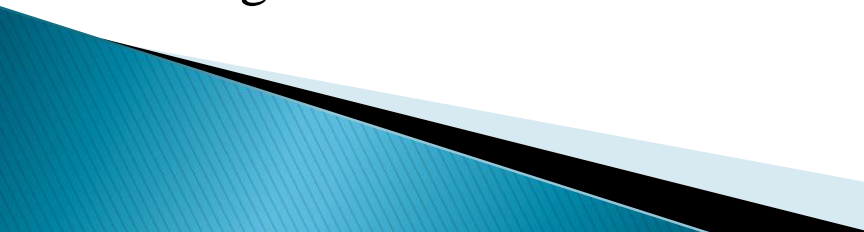
# ORGANIZATIONAL/INITIATIVE CHANGE MANAGEMENT

- ▶ While change happens at the individual level, it is often impossible for a project team to manage change on a person-by-person basis.
  - ▶ Organizational change management involves first identifying the groups and people who will need to change as the result of the project, and in what ways they will need to change.
  - ▶ Organizational change management is complementary to your project management. Project management ensures your project's solution is designed, developed and delivered, while change management ensures your project's solution is effectively embraced, adopted and used.
- 

# ENTERPRISE CHANGE MANAGEMENT CAPABILITY

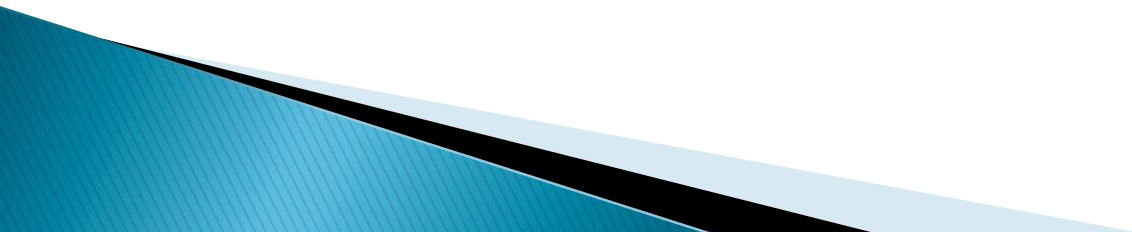
- ▶ Enterprise change management is an organizational core competency that provides competitive differentiation and the ability to effectively adapt to the ever-changing world.
  - ▶ The end result of an enterprise change management capability is that individuals embrace change more quickly and effectively, and organizations are able to respond quickly to market changes, embrace strategic initiatives, and adopt new technology more quickly and with less productivity impact.
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# COMMUNICATION IN CHANGE MANAGEMENT

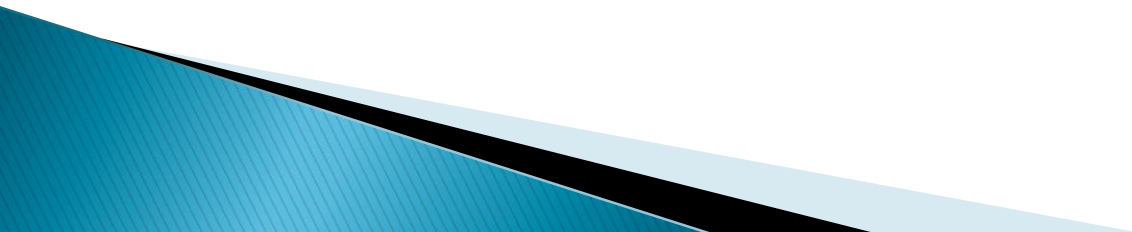
- ▶ Effective communication requires four components that are interworking perfectly to create shared meaning, a favourite definition of communication.
  - ▶ The individual sending the message must present the message clearly and in detail, and radiate integrity and authenticity.
  - ▶ The person receiving the message must decide to listen, ask questions for clarity, and trust the sender of the message.
  - ▶ The delivery method chosen must suit the circumstances and the needs of both the sender and the receiver.
  - ▶ The content of the message has to resonate and connect, on some level, with the already-held beliefs of the receiver. It must contain the information that the employee wants to hear. It must answer the employee's most cherished and cared about questions.
  - ▶ With all of this going on in a communication, it's a wonder that organizations ever do it well.
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# RESISTANCE TO CHANGE

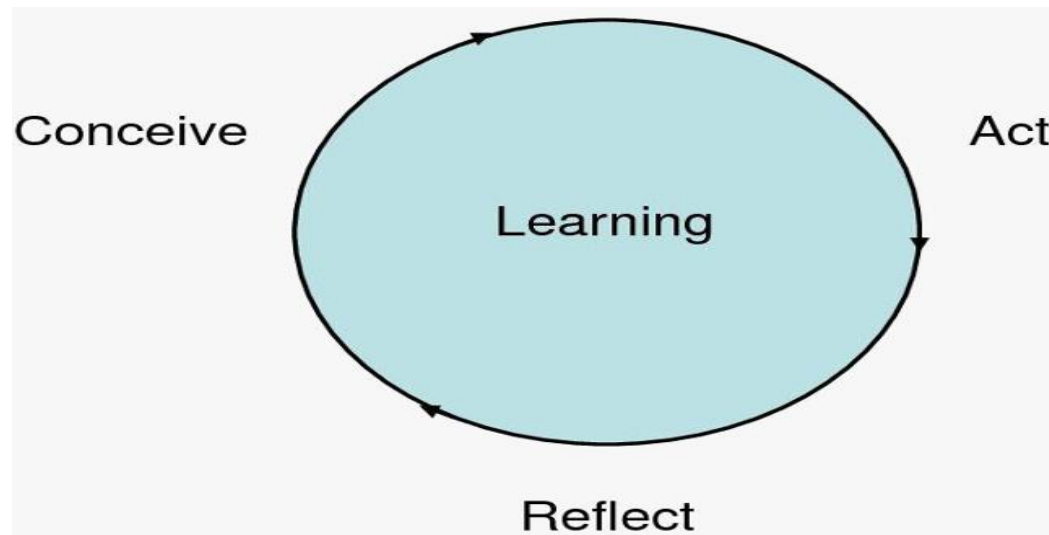
- ▶ Resistance is a natural response to change and recognising and managing resistance is a key skill for the effective change manager.
  - ▶ Resistance is a healthy part of any change process. Manage it effectively and it can strengthen your change initiative. Ignore it and it can quietly undermine all your great intentions.
- 

# Managing resistance to change

- ▶ Recognise resistance
  - ▶ Don't shoot the messenger
  - ▶ Open it up for discussion
  - ▶ Understand their concerns
  - ▶ Give it some time
- 

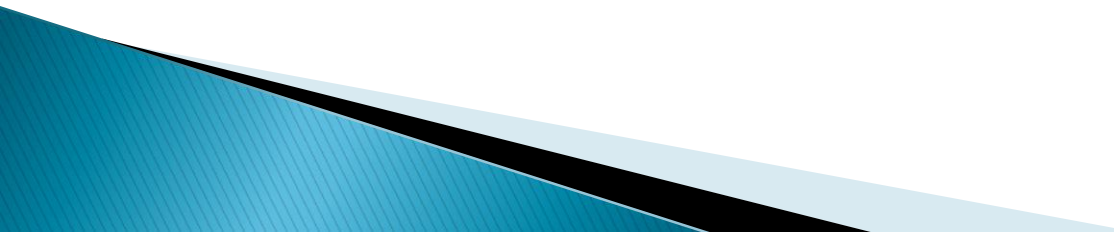
# Motivation and resistance to change

## ▶ Organizational Learning



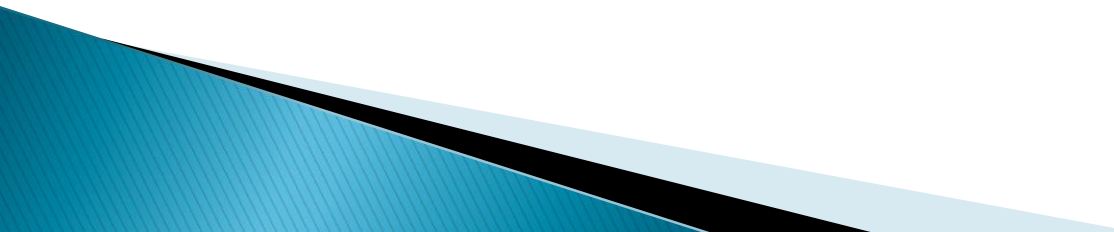
- ▶ Learning is the way we create new knowledge and improve ourselves. Although there is ample debate regarding the mechanisms and scope of learning, in its simplest form this is no different for organizations. Botha et al. describe the organizational learning process as follows:

The implications to knowledge management are three-fold:

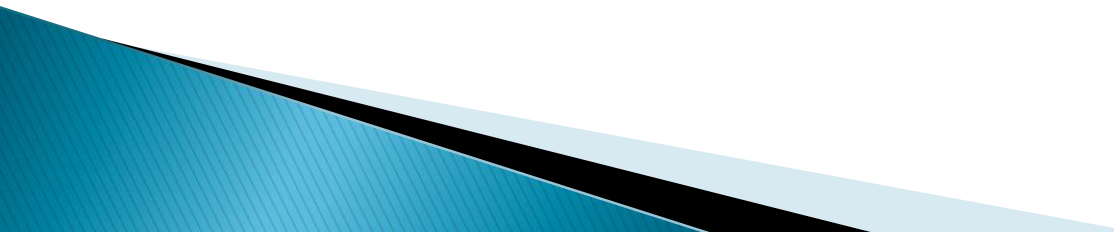
- ▶ One must understand how to create the ideal organizational learning environment
  - ▶ One must be aware of how and why something has been learned.
  - ▶ One must try to ensure that the learning that takes place is useful to the organization
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# ORGANIZATIONAL POWER

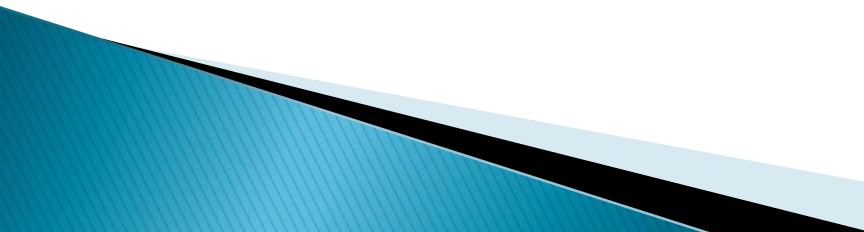
Power refers to the possession of authority and influence over others. Power is a tool that, depending on how it's used, can lead to either positive or negative outcomes in an organization. They identified five sources of power, namely:

- ▶ coercive,
  - ▶ referent,
  - ▶ legitimate,
  - ▶ expert and
  - ▶ reward power.
- 

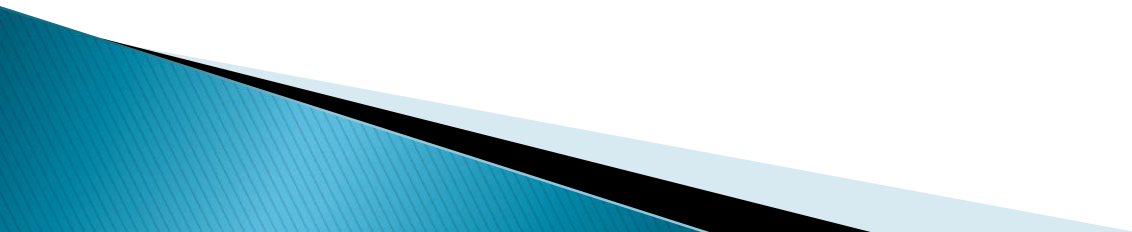
# POLITICS IN ORGANIZATION

- ▶ Organization politics can be defined as the accomplishment of the individual motives and upholding of individual interest over the organizational interest, without regard to the impact on the organization. Although politics is generally regarded as negative and undesirable, but politics may be both sometimes good for the organization. Politics is inevitable in any organization.
- 

# Factors Contributing To Political Behaviour

- ▶ Lust for power - People want to acquire and enhance power so that they can influence other people around them.
  - ▶ Discretionary power – Certain positions in the organization have discretionary powers that can be used in case of emergency. Such power rests in the hands of the position holder. That is why people indulge themselves in politics to grab such kinds of position.
  - ▶ Scarce resources – Some resources in the organizations are scarce. Any person who has the control over the allocation of such limited resources enjoys more power.
  - ▶ Organizational changes – Changes in organization keep taking place. Whenever there is a rearrangement of organizational policies, people in powerful position try to take advantage and avail the opportunity to play political games to suit their interest.
- 

# Change Agent

- ▶ **Definition:** In business parlance, a change agent is an individual or group, who carry out the task of instigating and managing change in the organization. He / She is someone, who directly or indirectly influences change, i.e. the change agents are appointed by the organizations to transform the ways, the organization is managed, or the business is conducted.
- 



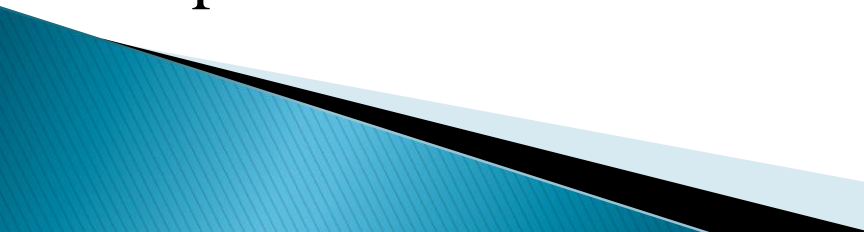
# Types of Change Agent

- ▶ **Internal Change Agent:** When the change agent, is internal to the organization then he/she is usually the employee such as a manager, senior executive, leader, HR professional or any other person from the staff who has mastered in behavioral sciences and intervention technology of organization development. They are appointed by the organization to look after the change process.
- ▶ **External Change Agent:** The external change agent is the one who is brought to the organization from outside such as consultants. The company's rules regulations and policies are not imposed on them, and so they can deeply analyze and bring different viewpoints to a situation and challenge the existing state of affairs. However, this can also be seen as a disadvantage, as the external change agent is not aware of the company's history, work processes, and personnel.

# Skills of a Change Agent



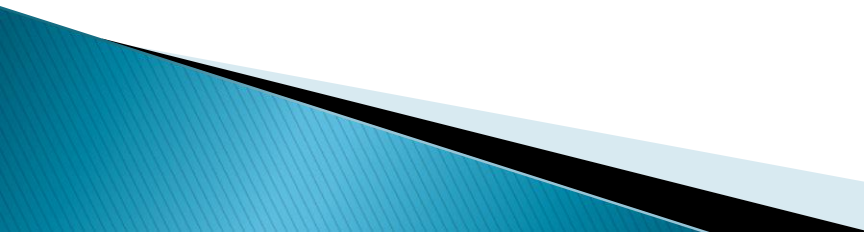
Skills of a Change Agent

- ▶ **Cognitive Skills:** The skills which require some level of pro-action from the side of the change agent for the purpose of self-understanding, conceptualization, and evaluation.
  - ▶ **Action Skills:** Change Agent works as a consultant, researcher, trainer, counsellor, etc. in an organization, so, he/she should possess required skills and competencies.
  - ▶ **Communication Skills:** He/ She is responsible for spreading change information, and making the organization realize the need for change, for which he/she must possess excellent communication and pervasive skills.
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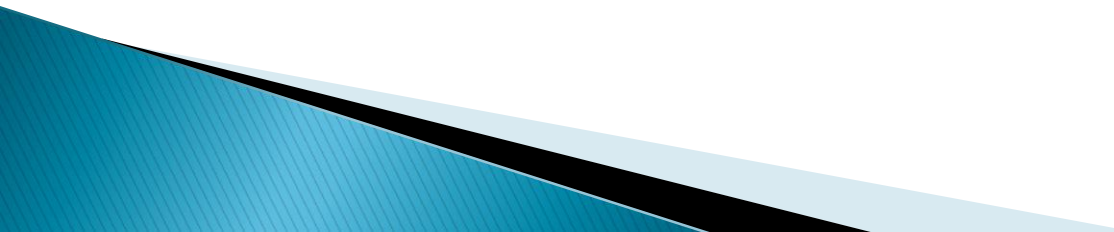
# Unit -v

## **EMPLOYEE RELATIONS AND MANAGING CHANGE**

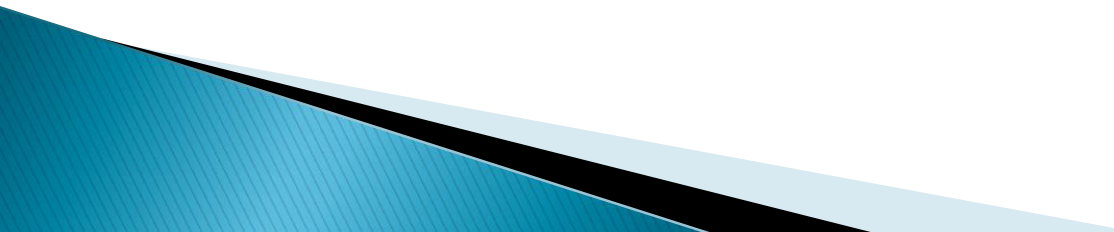
# Management of change in Technology

- ▶ Effective technology change management ensures that changes to a system or product are introduced in a properly controlled and coordinated manner.
  - ▶ It ensures that the negative effects of changes to IT systems are minimized by making available, a standardized process to govern the Information Technology system in the company.
  - ▶ Obviously, some changes in the Information Technology department are not optional, they are mandatory.
  - ▶ For instance, the changes in bar code standards mean that a business must adapt to these changes. If the standard tax withholding structure changes, there must be a change too in your business.
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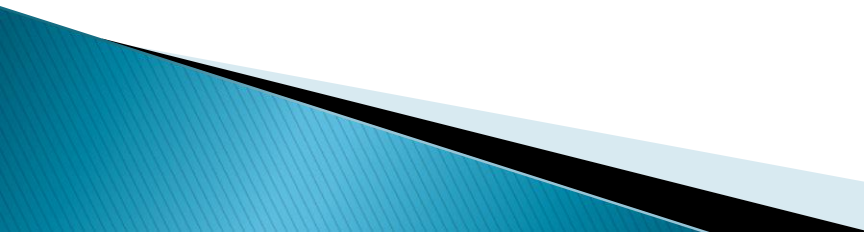
# Technology Change Management Process Guide

- ▶ Developing a request for change
  - ▶ Obtaining change acceptance
  - ▶ Initiating the development project
  - ▶ Passing the change to the management gate
  - ▶ Implementing the change
  - ▶ Report the results
  - ▶ Conclusion
- 

# Impact of Technology on Employee Relations

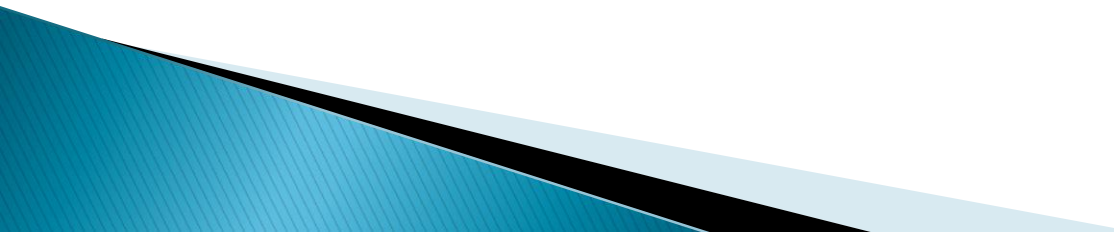
- ▶ Employee relations involve multiple layers of communication, from employer-employee relations to interactions among the workforce itself. To understand the effect of technology on employee relations we have to understand how the structure of an organization changes with the type of technology being used in the organization.
  - ▶ Routine technology leading to mechanization
  - ▶ Non Routine/New Technology promoting Creativity
- 

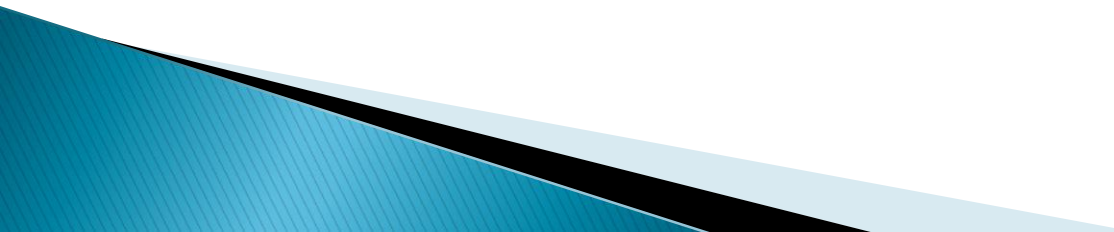
# Employee involvement Strategies

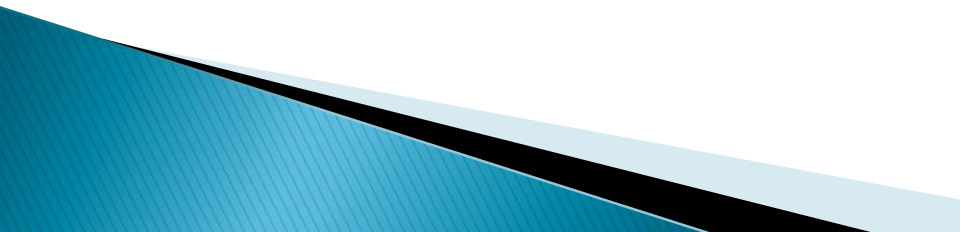
- ▶ A wise person once told me that I could never expect one hundred percent support from any individual who was not personally involved in devising a change which had an impact on his work.
  - ▶ People don't mind change once they get used to the idea and have had the opportunity to have an impact on the direction of the change.
  - ▶ Even asking an employee's opinion and then later choosing another direction is significantly better than never giving the employee a voice in the change at all.
  - ▶ Creating a work environment in which employees feel as if they have the power to initiate change is also positive and a tribute to your work culture. But, more frequently, employees find themselves caught up in changes that others are initiating.
- 



# Employee Involvement for Effective Change Management

- ▶ These are the steps you'll want to follow as you involve your employees in helping make a change.
  - ▶ Create a plan for involving as many people as possible, as early as possible, in the change process. You need to make this plan with your change team, your senior managers, who ever will be leading the charge with the change. This senior or management team plays a critical role in building and developing support for change.
  - ▶ Involve all stakeholders, process owners, and employees who will feel the impact of the changes, as much as possible, in the learning, planning, decisions and implementation of the change. Often, in change management, a small group of employees learns important information about change and change management.
  - ▶ If they fail to share the information with the rest of the employees, the remaining employees will have trouble catching up with the learning curve. This is a significant point in change management. You cannot leave any employees behind.
- 

- ▶ If a small group makes the change management plans, employees affected by the decisions will not have had needed time to analyze, think about, and adjust to the new ideas. If you leave employees behind, at any stage of the process, you open the door in your change management process, for misunderstanding, resistance, and hurt.
  - ▶ Even if employees cannot affect the overall decision about change, involve each employee in meaningful decisions about their work unit and their work. One effective way to do this is at the departmental level.
  - ▶ When the changes are in process, talk to your team and then, to each employee individually. Your purpose in having these conversations is to let each employee participate in identifying the impact of the decisions on their job.
  - ▶ Build measurement systems into the change process that tell people when they are succeeding or failing. Provide consequences in either case. Employees who are positively working with the change need rewards and recognition.
- 

- ▶ After allowing some time for employees to pass through the predictable stages of change, negative consequences for failure to adopt the changes, are needed. You cannot allow the nay-sayers to continue on their negative path forever; they sap your organization of time, energy, and focus, and eventually, affect the morale of the positive many.
  - ▶ The key is to know, during your change management process, when to say, enough is enough. Most organizations wait too long and employees have a powerful opportunity to inflict damage on all of your hopes and dreams.
  - ▶ Help employees feel as if they are involved in a change management process that is larger than themselves by taking these actions to effectively involve employees in making the needed changes.
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# Managing Downsizing in Organizations

- ▶ Downsizing or layoffs is the term used to refer to the practice of firing employees for various reasons in organizations. These reasons can range from poor performance by the employees, the poor performance of the organizations in economic downturns that necessitates laying off employees to save costs, and for disciplinary reasons
  - ▶ Payment of Compensation
  - ▶ Policies and Procedures to Handle Downsizing
  - ▶ Downsizings must be Handled with Care
  - ▶ Lack of Communication might Lead to Good Employees Leaving as Well
  - ▶ Downsizing due to Poor Performance of the Employee(s)
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