

Change Management As An Emerging Function In Organization

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ABSTRACT: The emerging changes in small and medium enterprises had created a new dimension in the management functions hitherto being performed in the field before. There is need to look into various environmental changes facing small and medium enterprises nowadays and find means of tackling these dynamic and turbulent changes as it impact the SME organizations. Are there new and emerging changes in the environment? Is there need for SME to be resilient in managing these changes? This paper is set out to investigate the various emerging changes impacting SME organizations. It shall also fashion means of tackling such changes. The theoretical approach to be employed for this study is taken from Sarah Dixon's Dynamic Competitive Life Cycle model. The researchers equally use journals, articles and on-line publications as source of research. The imperative of managers of SME to learn from dynamic life cycle model not only for competitive advantages but as sources of fashioning out business strategy was evolved in this write up.

Keywords: Small and Medium Enterprises (SME); Changes; Competitive, and Strategy.

1. INTRODUCTION

The turbulent environment couple with rapid changing in technology had created a new challenge for managers called change management. Effective management of change require understand and collaboration among management at various level. Change cut across sphere of management level and functions be it – tactical or strategic, line, middle or top level managers. Managers had to contend with changes and effective management of such will go a long way to determine how successful a manager was in his task. The issue to be examined in this paper includes among other the investigation of organization entry into a new era characterized by rapid, dramatic, and turbulent changes. How do managers react to this trend? How do employees cope with accelerated pace of change? Has this transformed how work is performed in diverse organization? This paper is set out to investigate the dynamic environment impact on organization and its employee. The effect of organizations change on how work is being performed in the organization. This paper is majorly set out to see how managers fair in the change management. This shall show how managers cope with organization changes and how they manage others to effectively cope with such via leadership roles. The paper shall also look into models that explain organizational changes and method of managing these changes.

2. CONCEPTUAL VIEW OF THE ORGANIZATIONS

It is pertinent at this juncture to have a background definition of what constitute an organization. Organization can be defined as the planned coordination of the activities of a number of people for the achievement of some common, explicit purpose or goal, through division of labour, and function and through hierarchy of authority and responsibility (Schein, 1983). The above definition stress aspect of organization from organogram perception. However, a cursory look at organization organogram shall reveal that much is behind the relationship and interrelationship depicted in the form than it is reveal from the drawing. Organization is a consciously coordinated

social entity with relatively identifiable boundary that functions on a relatively continuous basis to achieve a common goal or set goals (Robbins, 1990). From the definition given above, the writer emphasis was on organization as interrelated tasks to achieve a given purpose. Nevertheless, organization is more that this given views of other writers. Sekaran (1989) defines an organization as a purposeful system with several subsystems where individuals and activities are organized to achieve certain predetermined goals through division of labour and coordination of activities. The above definition attempt to see organization as a task and of interrelated relationship via system and subsystems outlook presented therein. It is a good attempt from the writer but one has to identify the missing link in this definition to provide for a working definition of organization. The various definitions examined above failed to perceive organization from cooperative perspective such that motivation and productivity shall become measurable. Organization can be said to be human effort in its cooperative activities targeted toward attainment of a present objectives (Abdussalam, 2008). He further opined that organization under this concept is a sum of productivity and motivation as constrained by internal and external environment which an organization is operating in. Above definition provide a platform to examine changes in organization and how managers have faired in managing this phenomenon. The inclusion of internal and external environment recognizes that organization is operating under a turbulent and dynamic environment to which appropriate changing mechanism must be evolved.

2.1 Appraisal of Management and Managers

Before attempting to see how managers evolved change management techniques, it is better to have a clear understanding of managers and management. Ogunde (2012) defines management as activities by which scarce resources are combined to achieve specified ends. He recognized mangers to be the concept management as those who are carrying out the activity of management, that is, the managers who manage or direct the affair of an

organization. From the above definition management contains manager as it is the aspect of managing by individual that is manager in the given context. The above seems plausible given various definitions from the following writers, Sekaran (1989) defines management as the functional process of accomplishing the goals of the organization through the help of others. Drucker (1970) defines management as a multipurpose organ that manages a business, manages managers and manages workers and work. Koontz and O'Donnel (1968) defined management as operational process based on the analysis of managerial functions which includes planning, organizing, staffing, directing, leading and controlling. The various definitions given above show that management is an all pervasive and all encompassing in organization, thus, a manager must be proactive to fit in well into this identified functional areas. Sherlekar (2001) defines management as a social process, involving coordination of human and material resources, through the function of planning, organizing, staffing, leading and controlling in order to accomplish stated objective. The above definition seems in line as management is the function that manager performs in an organization in order to achieve the organizational goal. Before the objective of an organization can be achieved, the manager has to plan the necessary action to be taken, organize this action plan into meaningful categories, assign the right staff to perform each function, direct the staff through good leadership, and coordinate the various tasks towards the overall objective of the organization (Abdussalam, 2008)

2.2 Emerging Trends that are Impacting Modern Work Organization

Companies face constant challenges from environmental turbulence, such as hyper competition, recession, disruptive innovation, government regulation deregulation (Dixon, 2014). She further opines that organizations are subjected to environmental pressures, such as the drive for sustainability, bottom of the pyramid issues and the green agenda. Thus, in this present era organizations are under exceeding pressures and challenges that have bring up changes in organization and shall continue to exert changes. In essence, continuous monitoring of this changes and appropriate responses to them shall determine the level of success or otherwise in this new era. The so called 'ambidextrous' organizations are able to balance exploiting their current capabilities – essentially those adaptive capabilities that enable an organization to develop new capabilities better fitted to the changing environment (Benner and Thushman, 2003; and Raisch and Birkeinshaw, 2008). Thus, changes in organizations are better managed with newer tools and not the old management techniques. This paper shall examine one of tools recently model for change management. Organizations have entered a new era characterized by rapid, dramatic and turbulent changes. The accelerated pace of changes has transformed how work is performed by employees in diverse organizations. Change has truly become an inherent and integral part of organizational life (Joo-Seng, 2007). He opines that these changes create tensions for organizational leaders and employees as they go through waves of changes in their organization. The recognition that these modern trends present opportunities

and threats, successful alignment to the business outlook in term of these changes is what distinguishes successful managers from their not too successful counterparts. Some of these trends and their effect on the organizations shall be explained; those to be explained are as follows: Public Private Partnership (PPP), outsourcing, offshore, globalization, network, diversity, flexibility, and flat. Public Private Partnership is sharing of ownership or participation of provision of infrastructural facility by the government and private individual. This emerging trend connote that the employees of these facilities are quasi-employee. In essence, the employees belong partially to the government and partially to the private owners of this facility. Thus, the structures of civil services or public services do not apply to these groups of workers. They are neither rather not private employees nor government employees with serious implications on their term of engagement and severance packages. Outsourcing of staff or facility is very common in oil and banking industry in Nigeria. The area considered not to be in core competence of these organizations are contract out as outsourcing thus bring about divergence in work practices obtainable in the organization. Regular Staff are often treated far better than contract staff employed by outsourcing human resources department. Offshore participation in the work of organization had been made possible through the employment of information communications technology. Nowadays, it is possible to work online for most organizations at ones pleasure in home comfort without leaving ones bedroom. Globalization implies that organizations are operating in many countries irrespective of their home country. Thus, culturally, politically, socially, legally and economically operation of the organization must reflect internationally acceptable standard. However, these trends as its implication for employees of the firm that can be move at short notice across regional lines and may have to cope with not only cultural diversity but legal limitations imposed by his host country. Network or networking is becoming a globally acceptable standard of distribution with its peculiar logistic implications. Individual nowadays work for organization across oceans in networking capacity with only mode of communication be through video conference or on phone. On line communication facilitated various means communication that had cemented friendship beyond regions and enable business interactions given minimum contact. Diversity implies that despite the unity of operation has had been enabled by globalization, individual nations diversity still remain. The diversity is so pronounced in cultural setting that organizations global must take cognizance of this fact. Making globalization compatible with domestic social and political stability will remain the most serious challenge for the world economy in the years ahead (Rodrik, 1997). Globalization is impacting how organizations compete with each other. In combination with changing demographics, globalization is causing a rapid increase in diversity in organizations. Never before have people been required to work together with colleagues and customers from so many different cultures and countries (Joo-Seng, 2007). He further opines that globalization and diversity trends are forcing organizations to become more flexible and adaptable. To be able to function globally and to embrace diversity, leaders and employees in organizations have to become more flexible and develop a

wider repertoire of skills and strategies in working with diverse groups of people in the workplace as well as in the market place. Centralization versus decentralizations are one of trends impacting organizations nowadays and forcing changes in way the employees are doing their work and how managers are leading those organizations. Speed and response time may decide how a strategy goes, not only special operations that require fast and surprise deployment of resources. However, strategic deployment of technology often require quick, fast, pace and one time response uncommon with strategic management of the yesteryears. Similarly, employees are given mandate that require immediate compliances with small fractions of seconds to think or adjust.

2.3 Dynamic Capabilities Life Cycle Model

To manage these observable trends a lot of effort had been put into it, some individuals rework strength weaknesses, opportunity and threat analysis so as to fix these modern trends. However, the work of Sarah E. A. Dixon on dynamic capabilities life cycle commends itself to this writer. The model shall be used to discuss how best managers, organizations and employees response to changes in organizational work place. The model explain how organization can manage the dynamic capabilities lifecycle, describes different types of organizational transformation requiring different managerial actions, and specifies some underlying mechanisms for enhancing dynamic capabilities to secure sustainable competitive advantage. The dynamic capabilities lifecycle was developed consisting of - incremental innovation and disruptive innovation- that determine firm failure, survival or success (Dixon, 2014).

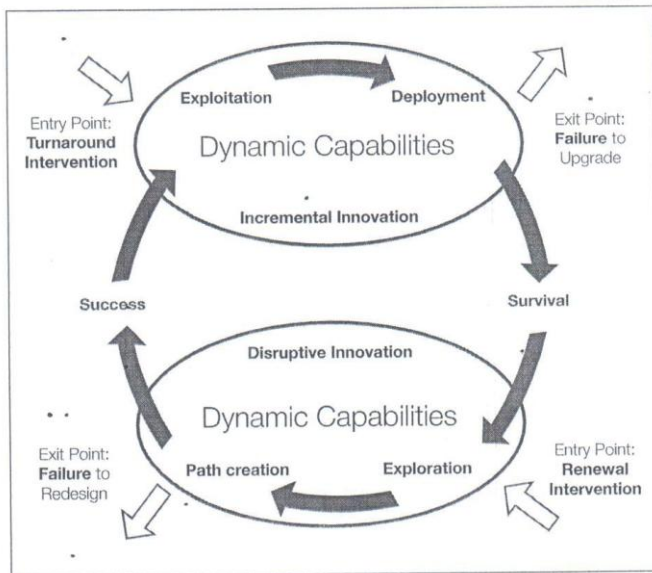


Fig. 1.1: The Dynamic Capabilities Lifecycle.

Incremental innovation has to do with the exploitation and deployment of best practices. Incremental, developmental or adaptive innovation is the first stage of dynamic capabilities life cycle. This dynamic capability is characterized by exploitation and deployment of best practices resulting in continuous incremental innovation or adaptation. Ability to forge ahead and gain temporary

competitive advantage over competitors is maintained if competitors are unable to meet up, copy or surpassed innovation. Disruptive innovation-exploration of ideas and new path creation: those companies that have managed to engage successfully in incremental innovation, and thereby secure temporary competitive advantage, generate the capacity to engage in the second stage of the dynamic capabilities lifecycle-disruptive innovation. This involves exploration of ideas and new path creation, for example the redesign of business model or the invention of new products. This requires a combination of organizational slack (availability of time and resources to be allocated to things other than the day-to-day business operations) and absorptive capacity (the ability to conceptualize new ways of doing things, to understand a changing environment and think in new ways). This stage of life cycle involves the dynamic capability of disruptive innovation with the focus on creativity and exploration for new ideas, and on the utilization of these new ideas to create new developmental paths for the organization.

3. EMPLOYEES WORK PERFORMANCE

The employee performance would be considered as backbone of organization as it leads to its development effectively. The loyalty of employee relies upon knowledge and awareness of culture that improve behavior of organization (Brooks, 2006). The degree of an achievement to which an employee’s fulfill the organization mission at work place is called performance (Cascio, 2006). From the above, it can be deduced that employees work better in challenged environment given the opportunity to excel (Mayo, 1924). Thus, the theory of dynamic competitive life cycle model creates challenged environments that stimulate performance from employees and it is appropriateness for managing changes. It can be observed that with the incremental or adaptive innovation, there exist maintenance cultures for employees’ performance. However, disruptive innovation stimulate productivity which itself ginger employees motivation. In essence, the ability of managers to maintain fulcrum on organizational changes is best using the model presented above.

4. CONCLUSION

It is now imperative for managers to continuously monitor not only changes in the organization but equally changes in the environment in such a way as to fashion appropriate mechanism to cope with challenges presented. The employment of dynamic competitive life cycle model shall assist managers to be proactive in their approaches to these changes management.

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