

## **THE MANAGER – KEY ELEMENT IN THE PROCESS OF CHANGE**

**ELENA-IZABELA POPA \***

**ABSTRACT:** *Change is a complex and difficult process, and – furthermore- it is inevitable. Managing change at a personal and organizational level requires new thinking, new patterns of change and new frameworks, and also tools that allow for a smooth, problem free implementation of the desired change. For a group or organization to change, all individuals in that group must change. Change happens at an individual level. The secret of successful change has its roots in something much simpler: how to facilitate change with only one person. To make changes in organizations, we must first understand how to produce individual change. It is important for the manager to understand all the factors at stake during a change initiative and their effect on the success of the change. The manager's ability to lead employees to change is the decisive factor in rapidly and completely adopting a change.*

**KEY WORDS:** *manager, change management, emotional resistance, change resistance, organizational change.*

**JEL CLASSIFICATION:** *B12.*

### **1. INTRODUCTION**

Like any person who in a leading position (top management or different) in an organization, I faced an employees' resilience when I had to use a change process in order to induce an activity improvement.

I can also say that the failure to implement certain changes in an organization is largely because of managers.

In support of my statement, I present a study of the Manager Platform in 2008-2012 (financial crisis), in 35,000 companies, out of 155 sub domains belonging to 27 business activities. The reported study data show that the success rate of the change programs is about 30%.

---

\* *Ph.D. Student, University of Petroșani, Romania, [izapopa1974@yahoo.com](mailto:izapopa1974@yahoo.com)*

Both the managers and the employees involved in the process of change perceive it as a danger to their own security: they have to learn something new that they are not willing to, they have to do something extra by giving up the time they allocated to something they would enjoy, the fear that may be replaced by someone better. This danger to their security raises emotional resistance.

Emotional resistance cannot be overcome with logical arguments, but it is possible by generating a stronger emotion.

To manage changes effectively, the organization's manager must possess specific skills and abilities (UNPAN):

- Analytical skills.
- Human skills.
- Systematization skills.
- Business Skills.

For the change to succeed, it is necessary for the organization manager to set up strategies and focus on improvement.

Strategies that can be implemented in order to manage change management (UNPAN):

- Rational-empirical strategy. Employees will act in the sense of their own interest once they are aware of it or have discovered it.
- Standard-reeducational. It is based on the fact that employees will act in their own interest once they are aware of it.
- Power-coercive strategy. It is based on the management function: staffing (team building and development).
- Environment-adaptive strategy. Adaptation is done through the power of example of employees who have understood the benefits of change.

## **2. CHANGE MANAGEMENT - GENERAL CONSIDERATIONS**

Change management is a disparate set of techniques, methods, tools, processes and approaches to achieve a desired final state through change.

At this point we can already talk about change management as a discipline, and the approach should be a systematic and proactive one in order to be useful to an organization in successfully passing it from one state to the next.

What would be the major interest that could drive us into being preoccupied with the management of change?

First of all, change management was designed to help organizations change their structures in order to effectively deal with changes, which is why change management should be integrated into organizations' development strategy.

From another point of view, even if we do not control change altogether, change management effectively manages the process, reducing the risk of some major problems.

Change is a factor with a strong impact on management functions, especially on forecasting and organization.

Specialized literature gives us more than one definition of change management. The definition that I consider to be suggestive of the content of this paper is as follows:

"models, methods and techniques, tools, skills, and other forms of knowledge that take part in the practice of change management" (Newton, 2009, pp. 2-3).

### **2.1. The main elements of change management**

The main elements of change management are:

- The initiator of the change;
- Agent of change;
- Subject of change;
- The type of change (the solutions adopted);
- Evaluation of change.

The initiator of change is the one who wishes to meet one of the organization's goals or the one that reacts to external environmental changes.

The initiator (or initiators) must also be involved in implementing the change, in order to achieve optimal results, they must offer help to the employees involved in the change process, and they must help overcome the resistance to change.

Their non-involvement leads to the appearance of unfortunate situations in which the manager suggests a change, but finds out that his proposals are ignored (knowingly or not) by the employees.

The agent of change is the one who decides how the change will be implemented. He solves the problems that arise during the change process and responds to the change results. He may be an external consultant in the field in which the change takes place, or one of the company's managers.

The agent being an "outsider", he does not have a great deal of authority over employees, which can exacerbate the resistance to change. Therefore, the support of people who can convince employees affected by change of the opportunity it brings is necessary.

The subject of change is chosen according to the final results to be obtained due to the change and can be very diverse, from the change of management attitude towards a certain aspect of production to the total rethinking of some products.

The change can be:

- Technological;
- Structural;
- Behavioural.

Technological change includes the application of new ways to transform resources into products and services. Technology means new machines or new techniques that use the same machines.

Structural change consists of restoring organizational structure, description of positions or of authority relationships in order to increase work efficiency. Designing the organization means defining jobs, organizing positions in compartments, and choosing the managers for each compartment.

Behavioural changes lead to the reduction of employees' resistance to change by preparing them for the change. An effective way to prepare for change is the continuously training of employees so that they stay abreast of new developments in their work field.

The evaluation of change is necessary for determining the results of the implemented changes and for generating feedback. The manager will use the feed-back to improve the organization's strategy. The evaluation is generally made by the initiator of the change. If the outcome of this stage is satisfactory, the change process ends.

## 2.2. Stages of change

For a change to succeed, it is necessary for it to go through several stages:

- Triggering change;
- Prepare to change;
- Implementing change;
- Evaluation of change.

The trigger of change is made by the initiator of the change. This involves identifying the problems faced by the organization (too low incomes, too high costs, conflicts within the organization etc.) and choosing the change agent.

The agent must be able to carry out these tasks (described above), be a particularly a good communicator, easily establish interpersonal relationships, and be able to determine the solutions best suited to the problems encountered. If a consultant is chosen to be the change agent, the experiences of other clients in relation to the respective person / organization as well as the specific skills of the consultant will be taken into account.

Preparing the change is based on the analysis of the impact of change and the formulation of an implementation strategy that minimizes the negative effects of change. The strategy consists in setting the main (and possibly secondary) objectives, the action plan (which contains precise deadlines), and the team responsible for implementing the plan, and also the responsibilities of each member of the team.

During this stage, the employees' motivation methods are established in order to achieve change, overcoming the natural resistance to change. The fact that the success of change depends on people's need for change is the basis of motivation. Employees must feel uncomfortable in the organization's situation, with their current status, discomfort that will drive them to try new ways of behaving. It is important to compare the current situation and the one which wants to be reached and to involve the employees in the process of change as much as possible.

The implementation of change is the most important stage of the change process and consists of:

- Change implementation;
- Change promotion;
- Change testing.

Change implementation consists of modifying the elements overseen in the action plan. The change must then be propagated to other parts of the system / organization that are affected by the elements modified in the previous step.

Testing change by the change agent in order to ensure that the results of the change initiator were obtained. If the test results are not satisfactory, the previous steps are resumed until the expected result is obtained. This test is different and it precedes the change evaluation, which is done by the initiator of the change (Marinescu, P.).

### 3. CHANGE MANAGEMENT - DEVELOPMENT AND EVOLUTION CONCEPT

Change management is becoming a distinct process within organizations and the theoretical bases of the discipline have been set since the 1950s.

Renowned US corporations such as Ford, GE, AT & T, between 1970 and 1980, include change management in their own organizations, implementing large-scale change programs. Within the big organizations, between 1980 and 1990, the leadership position for organizational change was created.

Change management has become a core competence of managers and leaders since 2000. The use of change management methodologies increases from 34% to 72% in the period 2003-2011.

The need for change management results from the benefits brought to managing the change process:

- Effective control of the change process;
- Appropriate management of human resources;
- Control and minimize the negative impact of change on current activity;
- Acquiring good practices.

What is Change Management?

The well-known dictum *eternal is just the change*, used by people in everyday life, it can also be applied successfully in the life of organizations. In this case, change involves a transition from the present state to a future state (desire for organization) and it addresses all elements of the organization: strategy, technology, structure and culture.

According to John Kotter's definition, organizational change management represents the approach of the process of transitioning people, teams and organizations to a desirable future state.

The first studies on this subject, which theoretically grounds this discipline, date back to 1950. In fact, organizational changes took place even before the mid-twentieth century, but they were not regarded as a distinct process within organizations and did not benefit from a structured and effective approach.

In 1950 a new discipline is born, the management of organizational change. The birth of the new discipline takes place simultaneously with the spreading of new forms of work management and organization such as teamwork and adoption of new notions, such as bottom-up change, in the current practices of the private sector, in contrast to the top-down change. Organizational change management is recognized as a discipline, theoretically described and practically widely applied in US private companies since 1980.

Kurt Lewin proposes the first theory of change management. The first significant works in the field are also published by Kurt Lewin, who addresses the organizational change through the linear description of the stages of the process, mainly from the psychological point of view (more precisely the impact on people involved in the change), overcoming the inertia and resilience to change.

Lewin proposes the first theoretical description of organizational change management, the force field model, or the three-phase model, unfreeze, change and re-freeze, which underlies most of the later developed models, and is currently being used for a simple and rapid assessment of the stage change into an organization.

Between 1970s and 1980 shift management is spreading to the private sector, and the big American corporations Ford, GE, AT & T are turning to change management in their own organizations and are implementing large-scale change programs to ensure:

- Making significant savings to overcome economic crises;
- Successful implementation of technological innovations.

Complementarily, a new theoretical body that shapes the process of organizational change management is being developed.

An example of this is the reference model proposed by John Kotter, one of the most influential authors in the field, who takes 8 (eight) steps into successfully implementing a process of organizational change and strengthening its results. Moreover, the model proposed by John Kotter is closely related to the leadership theory, proposing to the leader of the organization a leading role in implementing the process of organizational change: the leader is the engine of change.

Between 1990 and 2000, change management becomes indispensable.

In 1990, along with the accelerated development of new technologies, organizational change management spreads beyond the big corporate environment, overcoming the novelty status and becoming a necessity for all types of organizations. The rapidity of changes and the magnitude of their development force organizations to look for the theoretical models, methods and tools that are as effective as possible to facilitate change and reduce costs.

Thus, between 1980 and 1990, leaders of large corporations, dissatisfied with the results of top-down implementation of change processes, created a new position within organizations, the leader responsible for organizational change, in particular, to manage human resource issues.

Beginning with 2000, change management is widely accepted and becomes a core competence of managers and leaders. According to the data available in the specialty literature, the use of methodologies relevant to organizational change management increases from 34% (in 2003) to 72% (in 2011).

At the end of the first decade of the 21st century, the first global association in the field is being formed, namely the Association of Change Management Professionals, whose mission is to promote discipline change management through standards accepted and adopted globally, through ethics and professional accreditation.

In Romania, the discipline of organizational change management is part of the curriculum of the management faculties within universities with an economic profile. In the last years there have been published analyses and comparisons in the field, belonging to some Romanian authors, predominantly from the academic environment.

Organizational change management, as a distinct approach within Romanian organizations, has been applied since 1990 by large private companies, including foreign corporations present in Romania, as well as by public institutions.

The organizational change in all sectors of activity has been mainly driven by the pressure of political change, a volatile area in recent decades in Romania, as well as the rapidly changing economic environment, especially with the establishment of the economic crisis in recent years.

In this context, the acute need to increase the competitiveness and productivity of organizations in most of the Romanian economic sectors, determines the reorientation of managers and the quick acquisition of specific change management concepts and instruments tailored to the specifics of the local economic conditions.

Given that change is inevitable, there are multiple benefits of implementing change management in Romanian organizations, such as (Rusu, 2003):

- Effective control of the process of change: the process of change is planned and managed, the desired results are clearly established, and the organization knows the direction of evolution and the stage of achieving the objectives. People involved in the process have at their disposal a set of procedures, working tools and performance indicators that guide the specific activity related to the change process. In addition, the impact of change on the organization and on the people can be assessed both during and after implementation.
- Appropriate human resource management: Effective change management encourages the proper management of human resources during and after the changeover process, minimizing resilience to change and maximizing the commitment of people involved or affected by change (stakeholders, customers, suppliers, employees, managers etc.), both to the desired change and to the organization.
- Controlling and minimizing the negative impact on current activity: Change management process as a distinct approach allows it to be adapted to the current operational requirements of the organization so that the impact on current activity is minimal. Also, the necessary resources are estimated and provided separately from current operations.
- Acquiring good practices: Implementing a change process is a valuable exercise for the organization and enables the development of new skills, the accumulation of new knowledge, the development of teams and organizational leadership, the improvement of communication etc., all of which become new beneficial practices for the organization and are integrated into current activity.

#### **4. CHANGE MANAGEMENT - STAGES OF IMPLEMENTATION**

Change management involves a systematic sequence of processes accompanied by a permanent feed-back. Major changes in the organization do not just simply happen. Making change involves the carrying out of a real complex process in which the forces that exert pressure for change and the forces opposing change are confronting.

Implementing change management involves the following steps (Marinescu, P.):

- Defining the factors that generate the change;
- Recognition, understanding the need for change;

- Diagnosing problems that involve change;
- Establishment of the methods for implementing change;
- Overcome resistance to change;
- Implementing change;
- Evaluating the results of the change implementation.

#### 4.1. Defining the factors that generate the change

Kurt Lewin considers change as a dynamic balance of forces that, on the one hand, puts pressure on change, and on the other hand, provokes resistance to change. Elements that cause pressure for change: technological change, explosion of knowledge, aging of products, improvement of working conditions. Elements that determine resistance to change: obsolete mentalities, mental bottlenecks, disinterest, fear of the new, fear of failure, low degree of professionalism, change in the structure of the workforce.

There are two categories of factors that influence change within the organization:

External factors that can be controlled to a lesser extent by managers such as:

- Increasing the complexity of life generates social mutations as well as complex communication systems.
- Managers need to respond to market changes: new products introduced by competitors, increase of advertising of the new products, improving the services offered to customers who want to buy cheaper products with a better quality or price reductions for different product categories.
- Specific external factors: international organizations (International Monetary Fund, World Bank and European Union).
- Changes in technology by introducing computers and industrial robots that can quickly resolve complex production and management problems, helping to reduce costs and improving quality, positively reflected in financial terms.

Internal factors through which changes within the organization are the processes of decision-making, communication, interpersonal relationships, leadership, leadership style etc. In addition to the listed factors, there are also a multitude of elements that, by their nature, generate change.

*Factors that underlie change.* Politic factors: political legislation, international laws / regulations, political ideology, wars, local regulations, tax and duty system, universal rights, trade union activity.

Economic factors: suppliers, collaborators, competition, salary rates, exchange networks, unemployment rate, government economic policy, economic policy of other countries, lending policies, status changes (from state to private) of autonomy.

Technological factors: information technologies (the Internet), new production processes, computerization of processes, changes in transport technology.

Socio-cultural factors: demographic trends (employees, taxpayers), lifestyle changes, attitudes towards work, attitudes towards minority groups, gender issues, environmental care, business ethics (Marinescu, P.).

#### **4.2. Recognition, understanding the need for change**

A clear and profound perception of the need for change by the managers of the organization is indispensable to the process of change. Perceiving change is important, but not enough, and therefore needs to be supported by an effective set of activities on the managers' behalf. One of the most important aspects understands the need for change by the organization's employees, managers and subordinates.

Organization's employees must be helped to understand that the current organizational structure needs to be adapted to the new requirements of the transition towards the market economy, that the current information system needs to be changed and turned into an effective tool at the hands of managers, and their decisions need a foundation participative, using modern management methods and techniques.

This stage is essential because it actually involves creating the employees' conviction in the organization that the current management system and the current human resources policy are not compatible with market requirements. Understanding the need for change also means knowing that a continuation of management and execution processes with older structures under the new conditions inevitably leads, sooner or later, to critical situations for the organization in question (Mateiu, 2008).

#### **4.3. Diagnosing problems that involve change**

In order to act, the manager needs to know the problem situation that involves change. For this, it is necessary to go through a stage that involves diagnosing the problems.

The main phases of diagnosis are:

- Identifying the problems faced by the organization's managers and which, in fact, determine the change.
- The formulation of the positive and negative symptoms that the problem generates.
- Establishing the causes that generate the problem and the effects that situations actually have or may have for each type of problem.
- Specification of the ways in which problems can be solved, as well as the resources involved in this process.
- Estimation of the results achieved by solving the change.

#### **4.4. Establishing the methods for implementing change**

Specify and present the method or group of methods that will be used, both for problem analysis and implementation of change. The most effective ways will be selected to make the change.

#### **4.5. Overcoming the resistance to change**

It is the main obstacle that the change faces. Reasons for generating resilience to change: personal interests, misunderstanding the fundamentals of change, tolerance of change, fear of the consequences of change, tendency to self-limit the effort etc.

However, in order to minimize this phenomenon of resistance to change, managers could initiate a set of activities, such as: preparing the moment of change through discussions with those involved in the process, supporting and encouraging those involved in the process of change through effective participation in this, organizing debates on the issue of change, interpersonal influence, exertion of pressure - can also generate resentment and hostility etc. (Lawrence, 1969).

#### **4.6. Implement the change**

At this stage an action plan is being drafted, which should include clear ways of implementing change. They must be tailored to the specificities of the realities within the organization and facilitate the implementation of all the actions that change brings them.

When the resistance to change has been defeated, it follows the actual implementation of change and the permanent feed-back generated by the modulation of the factors that actually trigger it.

Reasons that make it difficult to implement a change process:

- Fear that through change the position from the old system could be lost.
- Pressures on those involved in change and deadlines with time resources sometimes insufficient.
- The indecision and fear of decision-making caused by the "competition".
- Defeating the natural behaviour of human nature of not accepting change because they feel comfortable with what they know and "works".
- Incompatibilities of the new system with the unmanned operational environment.

#### **4.7. Evaluating the change implementation results**

Knowing the influences that change has had on efficiency is a social aspect for continuing to implement change. Managers who trigger such a complex process know very well that the change may take some time before the results begin to appear. They also know that during implementation, there will appear other unanticipated issues that need to be resolved in a timely manner, otherwise the process itself is called into question.

However, the team of specialists in charge of implementing the change can make partial, periodic evaluations to strengthen employees' conviction that the way they act is a good one, but that the implementation process is complex and lasting. In response to these requirements, the second generation of organizational development, called the organizational transformation, substantially different from the precedent, emerged.

Organizational transformation involves changes to three levels.

A first level is the change in the attitudes and behaviours of the organization's employees. The second level of change refers to the managerial system as a whole, and the last level refers to the organization's deep layers, values systems, beliefs, and the affectivity of the community of employees. To be noted that the last level is the basis of the first two.

Another feature of organizational transformation lies in the fact that the changes are not simply about maintaining the functioning of the organization, but they are aimed at renewing the organization as a whole (<https://alldocs.net/abordari-in-facilitarea-schimbarii-si-dezvoltarii-organizatiei>).

## 5. CONCLUSIONS

The process of change requires not only well-trained managers but also competent human resources within the organization. If a process of change does not have the necessary resources of knowledge, financial stability and sufficient time, it can turn into a difficult and brutal process of cultural change.

Hypothetically and empirically speaking, the difficulties encountered in the implementation process, organization or activity of an organization needing an efficient change / adaptation, namely the causes of resistance to change, are being addressed.

Change is continuous, in an environment with finite resources. In order to make the best changes, the manager has to make some tough decisions and set priorities for change options.

To thrive in a world of change, the organization must deliberately develop skills in change management so that they represent essential skills for anyone within the organization.

When the manager develops or changes something in the organization he is leading, he needs to think about how he can incorporate flexibility through design so that the next time he has to make a change, it will be easier, faster and cheaper. Change is present everywhere and incessantly, so change management is one of the most important skills a manager can have in a modern organization.

The organization that manages change the best is the one that will thrive the most, and managers who are constantly able to implement change will be the most successful.

## REFERENCES:

- [1]. **Lawrence, P.R.** (1969) *How to Deal With Resistance to Change*, Harvard Business Review, January issue, <https://hbr.org/1969/01/how-to-deal-with-resistance-to-change>, [Accessed 10 October 2017]
- [2]. **Marinescu, P.**, *Managementul instituțiilor publice*, <http://ebooks.unibuc.ro/StiinteADM/marinescu/16.html>, [Accessed 19 July 2017]
- [3]. **Mateiu, S.** (2008) *Identificarea nevoii de schimbare culturală* - referat la teza de doctorat cu titlul *Managementul schimbării culturale și rezistența la schimbare a managerilor*, Universitatea Tehnică Gh. Asachi, Iași
- [4]. **Muscalu, E.; Todericiu, R.**, *Management internațional*, <https://docslide.fr/embed/bibliografieppt.html>, [Accessed 10 October 2017]
- [5]. **Newton, R.** (2009) *Managementul schimbării pas cu pas*, Editura All, București
- [6]. **Rusu, C.** (2003) *Managementul schimbării*, Editura Economică, București
- [7]. **Tiriboi, C.**, *Management schimbării în administrația publică*, <https://docslide.net/documents/tiriboi-c-managementul-schimbarii.html>, [Accessed 25 August 2017]

- [8]. Prosci, *Five Tips for: Managing Resistance*, <https://www.prosci.com/change-management/thought-leadership-library/managing-resistance-to-change>, [Accessed 10 November 2017]
- [9]. UNPAN, *Change management*, <http://unpan1.un.org/intradoc/groups/public/documents/un-dpadm/unpan044161.pdf>, [Accessed 17 September 2017]
- [10]. <https://alldocs.net/abordari-in-facilitarea-schimbarii-si-dezvoltarii-organizatiei>, [Accessed 22 November 2017]
- [11]. [https://en.wikipedia.org/wiki/Change\\_management\\_\(engineering\)](https://en.wikipedia.org/wiki/Change_management_(engineering)), [Accessed 15 September 2017]