

# **Strategic Human Resource Management**

## **Lecture 6**

### **Strategy Change Management Strategies**

**Lecturer: Dr. Amy Vundi**

#### **Lecture Learning outcomes**

At the end of this lecture, you will be able to:

- i. Explain the meaning of Strategic change.
- ii. Evaluate the other types of change experienced in organizations.
- iii. Identify reasons and possible solutions to change resistance.
- iv. Critique the available models on managing change.

#### **6.1. Introduction and Overview:**

In this topic we shall discuss what the various types of change are. Also we analyze the reasons why change is not easily accepted and methods to overcome the resistance.

In the contemporary business landscape, characterized by rapid technological advancement, globalized competition, and shifting socio-economic pressures, organizational change is not merely an occasional disruption but a constant state of being. The ability to manage change effectively has become a fundamental determinant of organizational survival and success. This paper moves beyond a simplistic view of change as a linear project to explore it as a complex, iterative process deeply intertwined with human psychology, organizational culture, and strategic vision. We will dissect the typologies of change, with a particular focus on the distinction between transformative strategic change and incremental operational change. Central to our analysis is the human response to change; we will delve into the well-documented phenomenon of resistance, examining its multifaceted causes—from economic insecurity to profound psychological threats—and synthesizing evidence-based methods to overcome it. By critically evaluating foundational change models through a modern lens and integrating contemporary research, this paper aims to provide a comprehensive framework for understanding and leading change initiatives that are not only effective but also sustainable and human-centric. The core thesis is that successful change management is less about imposing new structures and more about empowering people to navigate and co-create the future.

## **6.2. Strategic change**

It's concerned with organizational transformation. Organizational transformation is the change in the shape, structure or nature of organization. It is the process of ensuring that an organization can develop and implement major changes programmes that will ensure that it responds strategically to new demands and continues to function effectively in a dynamic environment.

Organizational change exists on a spectrum, with broad, transformative strategic change at one end and focused, procedural operational change at the other. Understanding this distinction is crucial for applying the appropriate management strategies.

It deals broad, long-term and organization-wide issues. It is about moving to a future state that has been defined in terms of strategic vision and scope. It covers the purpose and mission of the organization, its corporate philosophy on matters such as growth, quality, and innovation and values concerning people, the customer needs served and the technologies employed.

Strategic change takes place within the context of the external competitive economic and social environment and the organization's internal resources, capabilities, culture, structure and systems

Change management strategies may be mainly directed towards strategic change. It is also important to adopt a strategic approach to the operational change.

### **6.2.1 Operational change**

This relates to new systems, products, procedures, structure or technology which will have an immediate effect on working arrangements within a part of the organization.

To develop and implement change management strategies, it is necessary to understand what constitutes the process of change, why people resist change and how resistance can be overcome. It's important to bear in mind that while those wanting change need to be constant about ends, they have to be flexible about means.

The change process starts with an awareness of the need for change problems arise due to introduction to change, some being resistant to change which leads to low stability, high levels of stress, misdirected energy, conflict and loss of momentum. A manager should reduce problems associated with change, they should then learn to get to the desired end during this process and they should include people (employees) to ensure that they have their

full support.

### **6.2.2 Strategic change**

This is fundamentally concerned with organizational transformation—a significant alteration in the very "shape, structure, or nature" of the enterprise. It is a long-term, organization-wide process aimed at ensuring the organization can respond effectively to dynamic environmental forces. This type of change involves redefining the organization's purpose, mission, and competitive positioning. It occurs within the context of the external environment and is mediated by the organization's internal resources, capabilities, and, most critically, its culture (Shahzad et al., 2020). For instance, a traditional manufacturing firm pivoting to become a service-oriented, circular economy business model is undergoing strategic change. This level of change is inherently disruptive and challenges the core identity of the organization.

Conversely, **operational change** relates to the implementation of new systems, procedures, structures, or technologies within a specific part of the organization. While it may be less sweeping than strategic change, its impact is immediate and direct on employees' daily working arrangements. Examples include the adoption of a new enterprise resource planning (ERP) system, a reorganization of a departmental team, or the introduction of a new quality control procedure. The distinction, however, is often blurred; a series of operational changes can cumulatively drive strategic transformation. As argued by contemporary scholars, the digital transformation sweeping across industries is a prime example where strategic vision is executed through a multitude of rapid operational changes (Vial, 2019). Therefore, while change management strategies may be primarily directed at large-scale strategic shifts, adopting a strategic, mindful approach to managing even operational changes is vital for maintaining alignment and minimizing disruption.

### **6.3. Resistance to Change: The Psychology of Resistance: Unpacking the Human Barrier to Change**

Acknowledging and understanding resistance is the first step toward effective change management. Resistance is not simply stubbornness; it is a predictable, human reaction to perceived threat. The reasons are deeply rooted in cognitive and social psychology.

The provided list of resistances can be synthesized into several key themes. First, **economic and security fears** remain potent. The anxiety over job loss, reduced pay, or diminished status is a primary driver of resistance (Ford & Ford, 2021). Second, the **psychological discomfort** caused by change is significant. This includes the "shock of the new," which triggers a threat response, and the inherent **uncertainty** about the future, which creates anxiety and a desire to retreat to the familiar. The human brain is wired to conserve energy, and uncertainty forces it into a metabolically expensive state of heightened alertness (Dijkstra, 2020).

Third, resistance often stems from **social and identity threats**. Changes that disrupt valued interpersonal relationships or informal networks can provoke strong opposition. Furthermore, when change threatens to de-skill individuals or diminish their status—such as when a reserved parking space or a separate office is lost—it is not just a practical loss but a symbolic attack on their identity and standing within the organization. This links to **competence fears**, where individuals doubt their ability to meet new demands, leading to a fear of failure and embarrassment. Ultimately, as research consistently shows, employees often resist what they perceive as the *process* of change—feeling imposed upon, excluded, or poorly communicated with—rather than the change itself (Oreg & Berson, 2019). When people feel they have no voice, resistance becomes a form of asserting control.

People resist change because it is seen as a threat to familiar patterns of behaviour as well as status and financial rewards. Resistance to change is unavoidable if an individual is going to be worse off when proposed changes have been made. Among the reasons for resistance to change are:

1. Encourage fears this could be loss of money or threat to job security, (economic fears).
2. The shock of the news. People are very suspicious of anything they perceive will upset their established routines and methods of work or conditions of employment. They may not believe statements by management that change is for their benefit as well as that of the organization.
3. Inconveniences- change may make life more difficult e.g transfers
4. Uncertainty- this results from the uncertainty that change is likely to bring or the impact of change
5. Symbolic fears- a small change may affect a treasured symbol e.g separate office, reserved parking space.
6. Threat to interpersonal relationship- anything that disrupts social relationships and standards of groups will be resisted.

7. Competence fears- concern about ability to cope with the new demands or to acquire new skills
8. Threat to status or skill- the change is perceived as reducing the status of individuals or as de-skilling them.

A change programme shall incorporate the following processes:

1. Setting goals and defining the future states or organizational conditions desired after change.
2. Diagnosing the present condition in relation to the above goals
3. Defining the transitions state activities and commitments are required to meet the future states.
4. Developing strategies and action plans for managing this transition in the light of analysis of the factors likely to affect the introduction of change.
5. Analyze the restraining of driving forces that will affect transition to the future state.
6. Asses which of the driving restraining forces are critical.
7. Take steps both to increase critical driving forces and to the decrease critical restraining forces

#### **6.4. Change Models**

While foundational models provide essential frameworks, their application must be contextualized within modern organizational realities.

Models provide a framework within which strategic choices can be made. The best known change models are those developed by Lewin (1951) and Beckhard (1969)

##### **6.4.1 Lewin (1951)**

**Kurt Lewin's (1951) Three-Step Model** of unfreezing, changing, and refreezing offers a powerful, intuitive metaphor. *Unfreezing* involves creating the motivation for change by disrupting the equilibrium of the status quo. *Changing* is the process of learning new behaviors and implementing the change. *Refreezing* stabilizes the organization at a new state of equilibrium by reinforcing the new behaviors. However, in today's volatile environment, the notion of "refreezing" is increasingly seen as outdated. Critics argue that organizations exist in a state of perpetual "unfreezing," where constant adaptation is the norm. A more contemporary interpretation views the final stage not as a rigid refreezing but as stabilizing and embedding

changes enough to create a platform for the next inevitable cycle of change (Cummings et al., 2020). The model's enduring value lies in its emphasis on the need to prepare the organization psychologically before introducing change.

The basic mechanisms for managing change according to Lewin (1951) are as follows: -

1. Unfreezing- altering the present stable state that supports that support existing behaviours and attitudes. This process must take into account the inherent threats change present to people and the needs to motivate those affected to attain the natural state by accepting change.
2. Changing- developing new responses based on new information.
3. Refreezing- stabilizing the change by stabilizing new responses into the personalities of those concerned.

#### **6.4.2 Beckhard (1969)**

According to **Beckhard (1969)**, a change programme should incorporate the following processes:

- Setting goals and defining the future state or organizational conditions desired after the change.
- Diagnosing the present condition in relation to these goals.
- Defining the transition state activities and commitments required to meet the future state.
- Developing strategies and action plans for managing this transition in the light of an analysis of the factors likely to affect the introduction of change.

**Beckhard's (1969) Change Model** provides a more practical, goal-oriented roadmap. Its steps—setting goals, diagnosing the present, defining the transition, and developing action plans—align closely with modern project management and strategic planning. This model forces leaders to be explicit about the future state and to analyze the gap between the current and desired realities. Its strength is in its systematic approach, which helps in anticipating and planning for the factors that will influence the transition. A modern extension of this thinking is found in the concept of **change management as a dynamic force-field analysis**, where leaders must strategically identify and amplify driving forces (e.g., customer demand, competitive threat) while mitigating restraining forces (e.g., cultural inertia, lack of skills) (Hayes, 2022).

**Activity:** Research on Thurley change model (1979).

## 6.5. How To Manage Change

1. The achievement of sustainable change requires a strong commitment and visionary leadership from the top.
2. It is necessary to understand the culture of the organization and the levels for change that are most likely to be effective in that culture
3. Empower the people concerned with managing change at all levels with leadership and temperament skills.
4. Develop a learning culture in the organization, put in place a reward system that encourages innovation and recognize success in achieving change.
5. It is easier to change behaviour by changing process, structures and systems than to change attitude or culture.
6. Organizations must do all it can to explain why change is inevitable and how it will affect everyone. Effort must be made to protect the interests of those affected by change.

### A Synthesis of Contemporary Strategies for Effective Change Management

Building on these models and the understanding of resistance, effective change management in the 21st century requires a multifaceted, empathetic, and strategic approach.

1. **Visionary Leadership and Authentic Communication:** Sustainable change requires more than just commitment from the top; it demands visionary leadership that can articulate a compelling "why." Leaders must communicate transparently and consistently, not just at the launch but throughout the journey, to combat uncertainty and build trust (Kavanagh & Ashkanasy, 2021).
2. **Participative and Empowering Approaches:** Resistance diminishes significantly when people are involved in the change that affects them. Empowering employees by involving them in the planning and implementation process fosters a sense of ownership. This participative approach leverages frontline knowledge and transforms potential resisters into change champions (Heckmann et al., 2021).
3. **Cultural Readiness and Learning Agility:** Understanding the organization's culture is non-negotiable. Change strategies must be tailored to cultural norms to be effective. Furthermore, cultivating a learning culture—where experimentation is encouraged, and failure is viewed as a

learning opportunity—is critical. Reward systems must be aligned to incentivize innovation and adaptability, not just adherence to old metrics (Berson & Da’as, 2022).

4. **Systemic Alignment and Support:** It is often more effective to change behaviors by first changing the underlying systems, structures, and processes that guide them. This includes providing adequate resources, training, and psychological support. Ensuring that employees have the skills and tools to succeed in the new environment directly addresses competence fears and facilitates a smoother transition.

## 6.6. Summary

We have learnt that change is inevitable and therefore needs to be proactive in managing change. The two common types of change are the strategic and operational changes occurring in the organizations.

In summary, this analysis affirms that change is an inevitable and constant feature of organizational life. A critical understanding of the differences between overarching strategic change and targeted operational change allows leaders to apply the appropriate scope and scale of management strategies. The resistance to change is a natural human response rooted in fear, uncertainty, and perceived threat, not mere obstinacy. Overcoming it requires empathy, clear communication, and inclusive practices. While foundational models like those of Lewin and Beckhard provide valuable frameworks, they must be applied with an awareness of today's need for agility and continuous adaptation. Ultimately, successful change management is a strategic imperative that balances the hard aspects of structure and systems with the soft, human dimensions of culture, psychology, and leadership. The organizations that thrive will be those that master the art of guiding their people through continuous transition, making change capability a core organizational competence.

## 6.7. Reflection:

1. Discuss the differences between Strategic change and operational change.
2. Explain the causes of resistance to change.
3. Evaluate Lewin's model on change management.

## Reflection Questions

1. **Discuss the differences between Strategic change and operational change.** Beyond their scale and scope, how does the *nature* of leadership communication differ when leading each type of change? Provide a hypothetical example of each.
2. **Explain the causes of resistance to change.** Using a recent example of a failed or controversial change initiative (e.g., a new technology rollout or a restructuring), analyze which causes of resistance were most evident and how they manifested.
3. **Evaluate Lewin's model on change management.** In an era of "agile" methodologies and continuous change, is the final stage of "refreezing" still a relevant or desirable goal? Justify your answer with references to modern organizational theory.

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