Managing change in hard times

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Abstract

Purpose – The purpose of this paper is to describe the hard times currently faced by many organisations, particularly public-sector organisations in the UK, review the relevant published literature on the management of change and explore two issues not adequately dealt with in the literature. The initial literature review looks at three themes, namely visionary theories of leadership, unsuccessful implementation of change, and successful implementation of change. The two additional issues are how to manage change when you do not have a clear vision and how to manage change when you have a vision but it is resisted or rejected by job holders.

Design/methodology/approach – The article begins by looking at the hard times faced by public-sector organisations in the UK, where organisations find themselves under attack on both political and economic grounds. Jobs, salaries and pensions have all been cut, along with training and development activities, and further cuts seem likely. This case study is relevant to all involved in the management of change, irrespective of whether the changes are taking place in public, private or voluntary sector. The article then looks at the published literature on visionary leadership, unsuccessful change management and successful change management. From this literature review, it is possible to identify five inter-related sets of issues that are likely to determine the success of attempts at organisational change, namely, strategic thinking, leadership, task management, relationships and resources. The author then draws on his own experience in management training and development to identify two issues frequently raised but not adequately dealt with in the published literature, namely, how to manage change when you have a vision but it is resisted or rejected by job holders, as well as to offer suggestions for handling such matters.

Findings – The success of attempts at organisational change is seen to be related to the following five sets of issues: strategic thinking (e.g. environmental scanning, prior problem diagnosis and analysis, and having a good solution); leadership (e.g. developing and communicating a vision, building support for the vision and developing teams); task management (e.g. planning tasks, allocating roles, establishing monitoring procedures and co-ordinating activities); relationships (e.g. listening, consulting, involving, supporting, encouraging and developing staff); and resources (i.e. having or acquiring necessary resources, including money, time, people and technical expertise). In order to manage change successfully when you do not have a vision, it is important to: manage emotions, particularly by acknowledging how people feel and why they feel the way they do; take steps to develop a vision and keep people informed of the steps you are taking; engage in two-way communication throughout the process; develop and communicate visions about visions, make clear what you aspire to and how you will get there; and engage in and promote continuous learning and development. In order to manage change when a vision is resisted or rejected, it is important to: manage emotions, as described above; avoid lies, bulls*** and management-speak; and engage in honest, open and constructive two-way communication. It is concluded that the above two problems are intrinsically difficult and it may not, therefore, be possible to achieve commitment to change. Nonetheless, it may be possible to limit the damage, provide a foundation for building more positive longer-term relationships and make the best of a bad job.

Originality/value – The originality and value of this paper lies in the way in which it: reviews and draws together previous theory and research on change management; identifies two problems commonly encountered in hard times but inadequately dealt with in the existing literature; and offers practical and realistic suggestions on how to handle the two problems. These findings have implications for anyone involved in the management of change in hard times, as well as training and development professionals working in this area.

Keywords Change management, Strategy, Leadership, Implementation, Handling difficult situations, Public sector organizations, United Kingdom

Paper type Literature review
Hard Times Come Again No More

Let us pause in life’s pleasures to count its many tears
While we all sop sorrow with the poor;
There’s a song that will linger forever in our ears,
Oh! Hard times, come again no more.
    ’Tis the song, the sigh of the weary,
    Hard times, hard times, come again no more;
    Many days you have lingered around my cabin door,
    Oh! Hard times, come again no more.
While we seek mirth and beauty and music light and gay
There are frail forms fainting at the door;
Though their voices are silent, their pleading looks will say
Oh! Hard times, come again no more.
    ’Tis a sigh that is wafted across the troubled wave,
    ’Tis a wail that is heard upon the shore,
    ’Tis a dirge that is murmured around the lowly grave,
    Oh! Hard times, come again no more (Stephen C. Foster).

Introduction: hard times in the UK public sector

I am self-employed training and development specialist. I work mainly with middle and senior managers in the public sector in the UK, providing a range of services from one-to-one coaching for individual managers to training courses for groups of individuals. My work focuses mainly on three inter-linked themes, communication and interpersonal skills, people management, and leadership and the management of change.

These are hard times for managers and the managed alike in the public sector in the UK. The Conservative and Liberal Democrat coalition government is ideologically opposed to work being carried out in the public sector, if it believes it could be done better in either the private or voluntary sector and, in practice, it believes that that pretty much everything could be done better in either the private or voluntary sector. The coalition government also believes that excessive public sector expenditure is the primary cause of the economic problems the country faces and that, in consequence, the solution is to reduce such expenditure. Thus the public sector finds itself under attack on both political and economic grounds.

Many public sector jobs have been cut in recent years and more are expected in the coming years. Salaries have been frozen for several years and this will continue in the years to come. This means that, in real terms, salaries have and will continue to decline. Pensions have also been cut and further cuts, along with increased employee contributions, are in the pipeline.

Learning and development in the UK public sector is also going through a period of dramatic change with what are, on the whole, profoundly adverse consequences. The Chartered Institute of Personnel and Development (CIPD), in its 2011 review of learning and development, identified the following trends (CIPD, 2011):

1. More public sector than private sector organisations report a reduction in the use of all learning and development practices.

2. Public sector organisations are reporting reduced use of external options such as external conferences, workshops and events, formal education courses and instructor-led training delivered off the job, as well as in-house development programmes, job rotation, secondments and shadowing and the use of audio tapes, videos and learning resources.

3. E-learning and coaching by line managers appear to be the main compensatory channels in the public sector and are being used more. The CIPD goes on to note that while coaching ranks among the most effective learning and talent development practices, e-learning does not.

In relation to the third point above, I would add here that while coaching is, in principle, a highly effective learning and development practice, it is also a learned skill. Thus its
effectiveness in practice depends on managers receiving appropriate learning and development. However, given the reduced use of the sort of training and development practices in the UK public sector that could help managers to learn coaching skills, any potential benefits from the increased use of coaching are likely to be offset by a lack of appropriate learning and development in this area.

The CIPD (2011) concludes that unless the public sector finds cost-effective ways to address its development needs, it may find additional challenges retaining talent and developing the leadership and other skills it will need for the future.

My aim here is neither to support nor challenge the policies of the coalition government in the UK. Nor is it to consider matters of sole interest and relevance to the public sector. It is to use the current hard times in the public sector, with which I am familiar, to explore the management of change in such times. Indeed, the private and voluntary sectors also currently face hard times. Thus, the matters explored here are equally relevant to all concerned with the management of change in hard times, be they managers or those concerned with the training and development of managers, irrespective of the sector within which they work. They are as relevant to those concerned with private and voluntary sector organisations as those concerned with the public sector.

Managing change effectively during hard times

There is an extensive body of theory research about successful and unsuccessful change management that is of direct relevance to those managing change, as well as to those involved in developing and training such individuals. A full review of this topic is beyond the scope of this article. It is, however, useful to focus on three key themes, before considering a further two areas of concern, frequently raised by individuals during learning and development events but not adequately explored as a part of these broader themes.

The three key themes are visionary leadership, unsuccessful change implementation and successful change implementation. The two further areas of concern are how to manage change when you do not have a vision to communicate and how to manage change when you have a vision but it is not accepted those you manage. All of these matters are explored more fully below.

1. Visionary leadership

Visionary theories of leadership (e.g. Bass (1985), Bennis and Nanus (1985), Kanter (1983) and Kotter (1990)) were developed in the last two decades of the twentieth century, when globalisation, the information revolution and continuous change posed threats for organisations. The theory is called “visionary” because it asserts that the primary function of leadership is to communicate a compelling vision or picture of where the organisation is going. It is assumed that by having a clear and attractive picture of the future, one that appeals to head and heart, people will be empowered and committed to the change.

There is, however, more to visionary leadership than simply communicating a compelling vision. It is also assumed that effective visionary leaders will: be tuned into the internal and external environment, the source of the vision; mobilise support for the vision, though a process of networking; be visible to those they lead, as well as listening to, involving and developing them; build effective teams, bringing together people with complementary
qualities and areas of expertise, clarifying and agreeing team goals and individual responsibilities, and working interdependently to achieve those goals.

The nature of change in public sector organisations is largely determined by elected officials. Managers in such organisations are, therefore, typically concerned more with implementing change than actually setting the direction of change. Thus the next two sub-sections of this article focus on a matter of particular relevance, namely, best practice in implementing change, drawing on relevant research into both unsuccessful and successful change implementation.

2. Unsuccessful implementation

Alexander (1986) carried out detailed research on why strategy implementation failed. More specifically, he studied 93 private sector firms and looked at which implementation problems occurred most frequently as firms tried to put strategic decisions into effect. The implementation problems and their relative frequency are summarised below:

- Implementation took more time than originally allocated (76 per cent).
- Major problems surfaced that had not been identified beforehand (74 per cent).
- Co-ordination of implementation activities was not effective enough (66 per cent).
- Competing activities and crises distracted attention from implementation (64 per cent).
- Capabilities of employees involved with implementation were not enough (63 per cent).
- Training and instruction of lower level employees were not adequate (62 per cent).
- Uncontrollable factors in the external environment had an adverse impact (60 per cent).
- Leadership and direction given by departmental managers was not adequate (59 per cent).
- Key implementation tasks and activities were not defined (56 per cent).
- Information systems used to monitor implementation were not adequate (56 per cent).

3. Successful implementation

This part of the article shifts the focus of attention away from unsuccessful implementation to successful implementation. It begins by looking at five broad generalisations developed by Alexander (1986) before going on to summarise the more thorough and systematic review of the topic by Child (1984).

The primary purpose of the research by Alexander (1986), summarised above, was to collect and present relevant information on unsuccessful implementation. However, in a follow-up to this research, reported briefly in the article itself, Alexander (1986) also describes the conclusions of telephone interviews he carried out with 21 Chief Executive Officers and 25 Agency Heads, asking them to draw on their experience to speculate about things that help to promote successful strategy implementation. While these conclusions were not claimed to be statistically valid, the following five sets of issues were most frequently mentioned as promoting successful strategy implementation:

1. Communication, communication, communication. Communication was the most frequently mentioned item. It was felt that an organisation must, first of all, clearly communicate with all employees what the strategic direction is about. In so doing, it must explain what is to be done, who is to do it and why. Two-way communication, including receiving information as well as transmitting it, is also needed throughout the whole process to monitor what is happening and decide on any necessary modifications to the programme.
2. **Start with a good concept or idea.** The second most frequently mentioned idea was starting with a formulated strategy that involved a good idea. While having a thoroughly planned strategy was considered important, the idea being fundamentally sound was considered even more important.

3. **Obtain employee commitment and involvement.** The third most frequently mentioned suggestion builds on and is linked to the first two points above. It is to involve affected employees and managers from the start in the strategy formulation process, as well as throughout the process of implementation.

4. **Provide sufficient resources.** The fourth most frequently mentioned suggestion was to provide sufficient resources. Four different kinds of resources were mentioned, namely, money, people, technical expertise (or knowledge) and time.

5. **Develop an implementation plan.** The fifth most frequently mentioned suggestion was about what specifically had to be done during implementation, including detailing who is to do what and when it is to be accomplished. It was frequently stressed that such a plan should strike the right balance between being too vague to be useful and too detailed to be flexible. Some respondents also mentioned identifying likely implementation problems and preparing contingency responses for their eventualities.

A more thorough review of relevant research into this topic is provided by Child (1984). He concluded that the successful implementation of organisational change is associated with the following factors:

- The change has the support of top management, or at least one influential manager if the change is localised.
- The change is preceded by careful diagnosis of the problem.
- There is discussion of the problem, and ways of dealing with it, with all those affected, and a willingness to adapt plans in the light of this discussion.
- Different modes of implementation are assessed, based on a judgement of the degree of acceptability and resistance among different groups of employees.
- Training and personal development needs connected with the change are satisfied before rather than after the event.
- There is a common understanding of the purpose of change, including the roles of third parties where appropriate.
- Mechanisms are put in place to monitor and evaluate the change and its effects systematically.

There is clearly a considerable degree of agreement between the ideas of Alexander (1986) and Child (1984) on the successful implementation of organisational change.

**Key themes in the management of change**

The three sub-sections above briefly reviewed relevant theory and research about visionary leadership, as well as unsuccessful and successful change implementation. In the light of this literature review, it is possible to identify five inter-related sets of issues that are likely to determine the success of attempts at organisational change, namely:

1. **Strategic thinking.** Strategic thinking includes such things as scanning the environment to identify threats and opportunities, carrying out prior problem diagnosis (i.e. being clear about the problem(s) to which any proposed change is the intended solution) and problem analysis, and having a fundamentally sound strategy or good idea.

2. **Leadership.** Leadership is about communicating the overall strategic direction in the form of an attractive vision. It is also about building a network of support for the vision, building teams to work together effectively to achieve shared goals and developing individuals so that they have the necessary skills and knowledge for the change(s) to succeed.
3. **Task management.** Task management is about translating the big picture into practical details and implementing them. It is about such things as planning tasks and activities, including contingency planning for possible problems, allocating roles and responsibilities, establishing monitoring and evaluation processes, and co-ordinating activities.

4. **Relationships.** Developing and maintaining relationships includes such things as listening to people, consulting with them, involving them in decision-making processes, showing consideration, and providing support, encouragement and recognition for achievements. Relationship building also plays a part in some of the facets of strategic thinking and leadership described above, particularly environmental scanning, networking and developing both teams and individual job holders.

5. **Resources.** The final factor is different to all the other issues involved in change management but it is no less important. It is about providing, or acquiring, the necessary resources, including money, time, people, technical expertise (or knowledge).

**Two further areas of concern in managing change**

In my training and development work, I have often explored best practice in the management of change, as described above, with individuals and groups, only to be met with either or both of two concerns about what such ideas do not deal with. The two concerns are about how to manage change when you do not have a vision and how to manage change when you have a vision but it is not accepted.

It seems to me that these are legitimate concerns, in the sense that they are problems that individuals face and they are also areas that existing theory and research does not adequately deal with. However, by drawing on the existing literature, and discussing these topics with those who have raised such problems and my professional colleagues, I have been able to identify the following guiding principles for handling such situations.

1. **How to manage change when you do not have a vision**

Visions play a central role in thinking about change management. However, for various reasons, managers often find themselves in situations where they do not actually have a vision. It may, for example, be that more senior managers or other stakeholders have yet to formulate a vision, or they may have formulated a vision but have not communicated it, or they may be giving mixed messages about the vision for some reason or reasons.

Whatever the reason or reasons for the lack of vision, trying to manage others through change without a vision is frustrating for both the manager and the managed. Managers need to handle these frustrations in open and constructive ways, as suggested below.

(a) **Managing emotions.** At the outset, managers need to acknowledge and respond to the emotional reactions to the frustration and uncertainty felt by those they manage. This involves reflecting back to them that they understand how they feel and why they feel the way they do. They then need to ensure that more senior managers and/or other stakeholders are made aware of the frustrations staff feel and the reasons for such frustrations. They also need to tell their staff that they have put senior managers and/or other stakeholders in the picture. Finally, they need to feedback to their staff the response, if any, they actually got when they informed those at higher levels about how their staff felt about the lack of a clear vision.

(b) **Steps to developing a vision.** In the absence of a vision, managers need to tell their staff why they have not got a vision and what they are doing to get one. They might, for example, point out that they are waiting for an expected briefing from on high, make clear that they have had discussions with senior managers, or other key stakeholders, or indicate that they are in the process of analysing particular documents or sources of evidence prior to formulating a vision. They might also make clear when they expect to be able to provide a clear vision.
(c) Two-way communication. Two-way communication is always important, so a necessary further step is to ask those being managed what else they expect. Where possible, managers should then do what they have been asked to do and, subsequently, report back on what they have done and any consequences. Where actions have not been taken, reasons should be given. Throughout the process, it is crucial to keep people up-to-date, informing them regularly and frequently, even if it is to say that there is no news. It is equally important for managers to be available, actively listen and provide support.

(d) Visions about visions. Another useful ploy is to develop and communicate intermediate visions or visions about visions. Thus, for example, it may be possible for a manager to explain the process that he or she is going through and make clear that, at some specified point in the future, they expect to be in a position to communicate a clear vision. In this sense, their vision is to actually have a vision and the desired future state is being able to communicate the strategic direction or compelling picture of where they are going.

(e) Continuous learning and development. A final constructive ploy is to encourage continuous learning and development among those being managed, ideally in ways likely to be useful. The assumption here is that individuals may be in a better position to deal with any changes when they do eventually take place and, even if they are not, they will have acquired knowledge and/or skills that may be useful in the longer term.

At the very least, both the manager and managed can demonstrate their commitment to continuing personal and/or professional development. This is a useful attribute during periods of change and uncertainty.

2. How to manage change when you have a vision but it is resisted

Much of the literature on change management is written from a managerial perspective. Thus it often tends to see resistance to change as an irrational response from those managed. Kotter and Schlesinger (1979), for example, argued that resistance to change may come from parochial self-interest, misunderstanding and lack of trust, contradictory assessments of the cost-benefits of change and certain individuals having a low tolerance of change and uncertainty.

However, people may resist change out of genuine self-interest, knowing that the change will have adverse effects on them. They may fully understand exactly what any proposed changes involve but have well-informed grounds for considering them ill-advised. Moreover, they may have high tolerance of change and uncertainty in general but have particular misgivings about specific proposed changes.

My point above is that resistance to change is not necessarily irrational but may be highly rational, depending on the perspective of the individual and group, including their objectives, values, experience and expertise. What is to be done when people have genuine and well-informed misgivings about a vision?

(a) Managing emotions. The first thing to bear in mind is that if people are genuinely resistant, and they have good reasons for feeling that way, high levels of commitment may be unlikely, if not impossible. Nonetheless, minimising de-motivation, getting some degree of acceptance, building trust and taking constructive action may be possible.

(b) No lies, bullshit and management-speak. In my view, the most important principle to keep in mind is that there should be no lies, bullshit and management-speak. I have personally
been on the receiving end of organisational change where my colleagues and I were told lies and subjected to bullshit and management speak, with profoundly adverse consequences. I will describe my experience below, although I will not refer to the organisation.

Despite the fact that major organisational changes were afoot, we were given reassurances that the status quo would remain for the foreseeable future, only to be told a month later that major changes were to take place. Senior managers subsequently denied that they had given such reassurances, contrary to notes taken at the original meeting.

We were then told that senior management had “a compelling vision of the future”, although no acknowledgement was made of the fact that jobs would be cut, workloads increased and terms and conditions of employment worsened. We were also told that final decisions would only be taken “after an extensive process of consultation”.

However, following further probing, it became apparent that an irreversible decision had already been taken and that there would only be meaningful consultation on very limited aspects of the process of implementation, not the direction and pace of change. Morale plummeted, some staff members resigned and trust in the senior management team fell to an all time low.

In relation to the above example, I would like to add here that there certainly was merit to aspects of the organisational changes senior management intended. However, the failure to acknowledge the genuine concerns of staff, the use of management-speak to misrepresent the state of affairs and the lies all under-mined what might well have been a persuasive argument.

(c) Honest, open and constructive two-way communication. There is, of course, an alternative to lies, bullshit and management-speak. When changes are, or are likely to be widely resisted, change management is likely to be relatively effective if those involved followed the principles outlined briefly below:

- Tell people what is happening, tell them they why it is happening and tell them as quickly possible.
- Use clear, simple and honest language that is free of jargon.
- Listen to what people have to say and acknowledge both what they say, how they feel and why they feel the way they do.
- At the same time, be clear and unequivocal about what is negotiable and what is not negotiable. Set clear limits and boundaries.
- Ensure everyone is clear about the personal implications of the changes. Let them know how what is expected of them in the future differs from what they did before.
- Involve people fully in the process of implementation.

For a thought-provoking discussion of how clichés, sludge and management-speak are strangling our public language, I strongly recommend “Gobbledygook” by Don Watson (2003). This is a witty and erudite account of how managerial thinking, opinion polls, an impossibly demanding media and our political leaders use language to hide or twist the truth, as well as a plea for better use of language.

Conclusions and implications

This article is about managing change in hard time. It began by describing the hard times and changing times being faced by managers and those being managed in the public sector in the UK at the present time. It also highlighted how, because of the nature of the public sector, strategy implementation is a particular concern to those managing change in this sector.

It then reviewed relevant theory and research into visionary leadership, as well as unsuccessful and successful change implementation, to establish some general principles of best practice in the management of change. From this literature review, it was possible to
identify five sets of issues associated with successful strategy implementation, namely, strategic thinking, leadership, task management, relationships and resources.

Unfortunately, none of the broad general suggestions for managing change adequately address the problems of either a lack of vision or a vision that is resisted. These are intrinsically difficult problems and there are, therefore, no simple solutions.

However, managers can try to understand and acknowledge the feelings of those they manage, along with the reasons for such feelings, rather than denying them or trying to explain them away. They can also avoid the toxic combination of lies, bullshit and management speak. Instead, they can engage in timely, honest, clear and simple two-way communication, and make a serious attempt to make the best of a difficult situation.

There is no guarantee that such an approach will produce a positive commitment to change. However, it may serve to limit the damage and, at the very least, provide a foundation on which more constructive longer-term relationships can be built. In hard times, making the best of a bad job may be all that we can realistically hope for.

References

Further reading

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