Unit 2: Strategic Change Management

Level: 7

Unit type: Mandatory, except in the 45 GLH Certificate

Guided learning hours: 45

Credit value: 20

Unit introduction

Leaders and managers at all levels of an organisation have important roles to play in delivering organisational change. Building on an understanding and appreciation of contemporary and seminal theories, concepts and models, learners will examine the role of leaders and managers as strategic agents for change where context, change types and change choices are key considerations.

Learners will explore different perspectives on strategic change where an appreciation of the relationships between organisational culture, power and internal politics, and organisational learning. Understanding theses different perspectives will enable learners to explore, in greater depth, how strategic change management is applied in practice.

Once learners are able to examine the internal and external environments of organisations and how these influence organisational change, they will be in a position to design a change transition strategy where the conditions for change are effectively enabled. People can be both champions of, and resistors to change. As such, how they are managed is key to the success or otherwise of a change initiative. Learners will explore the role of leaders, managers and the human resources team as tools to engage with employees and establish the conditions which will facilitate a successful change and deliver required performance outcomes.

Using this knowledge as a basis learners will consider ways in which a change strategy should be approached before producing a change strategy for an organisation. This organisation could be real or contained within a case study.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

Learning outcomes		Assessment criteria	
A	Understand the concept of strategic change management in an organisational context	A.1	Critically examine current and seminal theories, concepts and models related to strategic change management
		A.2	Critically discuss the role of leaders and managers as agents for change
		A.3	Analyse types and styles of organisational change
		A.4	Critically discuss how change context affects change choices
B	Understand different perspectives on change	B.1	Discuss change from an organisational culture perspective
		B.2	Discuss change from a power and politics perspective
		B.3	Discuss change from an organisational learning perspective
C	Prepare change management strategy in a given organisational context	C.1	Analyse the internal and external environments which influence organisational change
		C.2	Discuss, in consultation with others, how change transition is designed by strategic leaders and managers
		C.3	Critically evaluate ways in which strategic management enabled the conditions for organisational change in a given context
		C.4	Evaluate the importance of employee engagement to organisational change
D	Be able to design a change management strategy	D.1	Examine an approach to enabling successful change
		D.2	Produce justified change management strategy for an organisation

Unit content

Learning outcome A: Understand the concept of strategic change management in an organisational context

- *Current and seminal theories, concepts and models;* John P Kotter's eight steps to successful change, Kubler-Ross five stages transition cycle, Prosci's five building blocks of awareness, desire, knowledge, ability, reinforcement (ADKAR), McKinsey's 7S (strategy, structure, systems, shared values, skills, style, staff) framework, Kurt Lewin's change management model (unfreeze - transition - refreeze, Burnes' framework of change, Burke-Litwin's causal change model, contingency theory, espoused theory, theory-in-use.

- *The role of leaders and managers;* visionary, facilitator, decision-maker, agile, change agent, team player, strategist, planner, co-ordinator, passionate, influencer, communicator, conflict avoidance, liaison, coach, advocate.

- *Types and styles of organisational change*; types - planned (proactive), unplanned (reactive), transformational, horizontal v vertical, remedial, incremental, organisational wide v functional specific, structural, people-centric, process and procedural, relocation, merger/acquisition, realignment to strategy; styles – pull (collaborative, consultative, educational), push (coercive, directive, punishment).

- *Change contexts* ; top-down v bottom-up change, time, scope, capability, readiness, power, preservation, diversity, capacity, culture.

Learning outcome B: Understand different perspectives on change

- *Organisational culture perspective;* the informal organisation, organisational culture, change challenges to culture, individual and group perspectives, the emotions of change, role of leaders, role of managers, external reality, interpretation, competing subcultures and identities, the evolving influence of cultural diversity.

- *Power and politics perspective;* types of power – legitimate, expert, reward, information, coercive, referent, tactical use of power by organisations and employees; politics - political pyramid, political interventions, resistance and barriers, scarcity and competition, existence of constituencies, interest conflicts, follow on effects; self-serving behaviours, organisations as a political entity, constraints and freedoms of organisational structure.

- *Organisational learning perspective;* characteristics of a learning organisation – systems thinking, personal mastery, mental models, shared vision, team learning; knowledge development, the dynamics of organisational learning, as a product of organisational enquiry, learning cycles, reflecting on action, reflecting in action, communities of learning, the learning curve.

Learning outcome C: Prepare change management strategy in a given organisational context

- *Internal and external environment;* external analysis (PESTLE, STEEPLE), external reasons for change include – markets, economic, globalisation, legislation, demographics, new technologies, environmental and sustainability pressures, competitor behaviour; internal analysis (SWOT, TOWS), internal reasons for change include – merger/acquisition, change to vision/mission, change of leadership/management, financial pressures, restructuring; stakeholder identification and analysis (power – interest matrix).

- *Change transition;* alternative visions/missions, individual and organisational transitions, mobilising for change, sequencing change activities, barriers and resistance to change, stakeholder positioning, resource and activity alignment, process/procedure changes, learning and development, change through dialogue, reflective learning, consolidating gains.

- *Enabling conditions for organisational change;* senior management – rewriting the context, relational leadership, building credibility, leadership and management practices; middle management – as change intermediaries, leadership and management skills. 'two-faced approach'; role of human resource management – HR systems and processes, recruitment and selection, performance management, training and development, organisational development; diagnosing resistance – parochial self-interest, misunderstanding, lack of trust, identifying perceptions, levels of tolerance for change; dealing with resistance – education, communication, participation, involvement, facilitation, support, negotiation, agreement

- *Employee engagement;* the employee voice, developing trust, communication, organisational justice, rethinking resistance, the psychological contract, employee support, coaching and mentoring, the emotional challenges.

Learning outcome D: Be able to design a change management strategy

- *Enabling successful change;* establish a clear visions, leverage the change management timeline, plan carefully, be transparent, tell the truth, communicate, create a roadmap, support employees, provide training, invite participation, manage expectations, monitor and measure, demonstrate strong leadership, use an appropriate framework (e.g. McKinsey's 7S).

- *Justifying recommendations;* recommendations must be logically supported, establish reasons for the strategy/change detail the strategic steps, provide supporting evidence, indicate actions to take, suggest timeframes, establish benchmarks and targets (SMART), establish responsibilities.

Essential information for assessors

Essential resources

There are no specialist resources needed for this unit.

Suggested assessment approach

This section must be read in conjunction with *Section 6: Assessment*.

This unit is assessed internally by the centre and externally verified by Pearson.

The table below shows the suggested approach to assessments.

When preparing the assessment for this unit, the learner should be given an Assignment brief designed by the tutor. This brief should be set in a specific organisational context, it should draw on learning from the unit, and be designed in a way that enables learners to meet all the assessment criteria.

Learning outcome	Suggested assessment approach
A Understand the concept of strategic change management in an organisational context	An essay of approx. 4000 words to include a reference list. The reference list is not included in the word count.
B Understand different perspectives on change	
C Prepare change management strategy in a given organisational context	
D Be able to design a change management strategy	A presentation of 15 mins duration supported by appropriate documents.

Assessment requirements

Learning outcome A

This learning outcome initially focuses on the concepts, theories and models of change management which will provide the foundation for a critical exploration of the unit's content. This learning outcome requires learners to extend their knowledge of the principles of leadership and management to examine the strategic aspect of change management in the context of types, styles and contexts of organisational change. Learners will be expected to make relationships between the topics contained within the assessment criteria and demonstrate an ability to be critical of the relevance of concepts, theories and models in differing contexts.

Learning outcome B

When exploring the subject of strategic change management, learners must understand and appreciate that different perspectives will have different influences and impact on how change is planned and implemented. These perspectives are typically grouped into organisational cultural, power and politics, and learning. In addition to recognising the individual influences and impacts, learners must demonstrate they understand the symbiotic relationships between them. Learners would benefit from analysing different case studies where the perspectives, individually and collectively, are put into context.

Learning outcome C

To understand how strategic change management is put into practice, learners must become familiar with the 'tool's which are used to help establish the environment, and their forces, in which the change initiative will take place. Only then will learners be able to consider how to design a change strategy where the choice of approach to the change transition is likely to determine success or otherwise. This learning outcome also requires learners to consider themselves, in the role of a strategic leader/manager, as being enablers of change. Learners must also understand and appreciate the role strategic enablers' play in securing the 'buy-in' from those affected by change, particularly employees. Evidence can be achieved through actual working experience or good quality case studies which provide examples of successful and unsuccessful change transitions based on the practice of change management.

Learning outcome D

This learning outcome draws together all learning which has taken place in the previous learning outcomes by applying a learner's knowledge and understanding, alongside their ability to the production of a change strategy. Ideally this would be based on an organisation the learner is familiar with, but a suitably in-depth case study could act as a substitute.