Change Management - Courage to change in the company

Change management describes the process of a strategic realignment of a company, which relates to structures, processes and behaviors. It encompasses all tasks and measures that lead to far-reaching changes within a company. The change in the company, which is controlled by change management, takes place through targeted planning of upcoming changes and subsequent effective implementation of the project plan in the company. In this way, companies succeed in adapting continuously and at the same time flexibly to new trends, changing customer preferences and changing competition. In this way, market participants reliably achieve their own success in the market and renew themselves.

Change management aims to control strategically necessary adaptation processes in a controlled manner. The aim is to adapt corporate strategies and structures to changing conditions. This is all the more important because change is no longer an exception in today's fast-moving economy, but a regular occurrence. One of the most revolutionary approaches to change management is corporate transformation. These are mainly used in the context of a complete restructuring of a company. This developmental approach is organizational development, which has been functioning as a standard approach for decades. This methodology is designed to enable both the company and its employees to align their goals.

Against the backdrop of rapid technological development, the scarcity of resources in the form of time and money, and an increasingly complex business environment, the use of change management is more important than ever for companies. If it is successfully established and implemented, companies gain the ability to quickly and effectively adapt to new trends and market demands. How well the company can change can be seen, for example, in the establishment of flexible and agile product development or the conquest of new markets. Due to the increasing complexity of analog and digital process connections, a development or a change in the company can no longer be controlled only incidentally, but takes place strategically through a firm establishment of change management.

Methods of change management

Like all models, change management methods have the ability to represent a complex reality in a simplified way. Thus, they do not depict all attributes, but focus on the relevant factors. Various models can be used, which differ in the tools and perspectives used, but all have the same goal - to provide a framework for actions and directions. The following seven change management methods are most commonly used:

1. the Kotters 8-step model requires a long preparation before the actual change can begin. At the same time, this model considers it important to create an internal company climate for change.

1. 2 Krüger's 5-phase model is based on a continuous comparison of the initial and target states of the change process. This model makes it possible to see at any time how far the change process has progressed.

2. the Lewins 3-Phasen-Modell observe both the brakemen and the favoring forces of the change. In this way, a moderating control of the progress of the change can be carried out at any point in time.

3. the management by objectives model is based on an agreement on objectives between labor and management. Both parties are given sufficient room for maneuver in the implementation, even if the goal achievement is set.

4. In the management by delegation model, the implementing employee assumes responsibility for the activity assigned to him. He or she is given a high degree of leeway in implementing the work objectives set for him or her.

5. 6 The Management by Exception model is based on the independent processing of distributed tasks by the employees themselves. Managers only intervene in the event of delays or in exceptional cases.

6. 7) The Objectives and Key Results model is based on the intrinsic motivation of the individual employees in the company. This is supported by a high degree of transparency and the opportunity for employees to shape their own work process.

Which of the briefly outlined change management models a company wants to use depends on the individual decision. However, when a change is announced in the company, the choice of the right change management model is critical to success. Studies have shown that 70 percent of all planned but unstructured changes fail. At the same time, it has been proven that the use of an adequate model significantly increases the probability of successfully introducing changes.

It is also essential that all members of the workforce are involved in the change process right from the start in order to make the change successful. Regular employee communication provides the foundation for this. If employees understand the need for change and are given the opportunity to contribute creatively, acceptance will increase. Managers should create an open atmosphere that gives employees the opportunity to express their opinions. They should also be involved in developing solutions.

Development of a learning organization

To date, the term "learning organization" has not been clearly defined. It is commonly understood to mean a company that is continuously developing. Change is no longer something out of the ordinary for such companies, but a normal occurrence. The essential goal of a learning organization is to increase the learning and knowledge potential of the workforce in a targeted manner. In this way, the company increases its performance on the market and vis-à-vis customers. The concept itself is therefore knowledge- and innovation-oriented. Therefore, innovation and knowledge management play a special role in learning companies.

Organizations can learn in different ways. On the one hand, there is single- and double-loop learning and, on the other hand, deutero-learning. In single-loop learning, all actions that do not lead to the desired success are adjusted. This increases efficiency, although existing conditions remain unchanged. Double-loop learning goes beyond single-loop learning, because in order to optimize the results, the framework conditions are also adjusted accordingly. In doing so, the company's employees are given a broader potential for action.

Deutero learning, also known as reflective learning, makes the learning processes experienced so far the subject of learning. With the help of this approach, change management processes that are initiated in the company meet with greater acceptance on the part of the employees. Deutero-learning aims at removing existing barriers to learning and generating new prerequisites for improving ongoing learning processes. Through the approach of constantly rethinking, any necessary changes to the change process can be made promptly.

Difficulties in the implementation of change management

Even if a need for change in the company has been recognized and appropriate methods for implementation have been developed, by no means every change management project is a success. There are several reasons why the implementation of change is doomed to failure. Even a vague definition of the project goals or a negative attitude on the part of the employees can lead to this, as they do not see the benefits of the change for the company. Since the transformation in the company can fail due to the resistance of the employees, they must always be convinced of the benefits of the change and the process itself must be supported by regular and holistic communication with the affected employees. Otherwise, the adaptation process could already fail due to employee resistance.

Also relevant to the success of the transformation process is the availability of all necessary financial and human resources. Since it is absolutely essential in today's networked, global world with its complex markets for companies to be able to react flexibly to changes, functioning change management is indispensable for companies to be able to operate successfully on the market in the long term. Given the importance of implementing change processes, companies should establish a successfully functioning change management system right from the start. If this process is thought through strategically and operationally from start to finish, the risk of a change process failing is reduced. If projects fail due to incorrect management, this also has a negative impact on subsequent projects in the long term, as employees want to see success.

Lean Management - the future of change management

An innovative change management approach based on continuous feedback and co-creation is Lean Change Management (LCM for short). This methodology is lean and agile as well as the driving force for more innovation and customer centricity in the company. With the help of the LCM methodology, insights from employees, management and the market can be compiled. Hypotheses are then created from this data and experiments are conducted to test the hypotheses. The test results are measured and serve as a basis for further adjustments.

If lean management is established in the company, it can benefit in several ways. Lean management clears the way for new, innovative thinking by focusing on the needs of employees and teams. The experimental nature of the approach means that priorities can be quickly adjusted during implementation and allows teams to actively participate in shaping the change process. In addition, risks can be quickly identified as everything becomes transparent and measurable. Overall, this approach offers real added value for both employees and customers.

However, it is also true here that the change process can only be crowned with success if it is accepted by the employees. It is therefore necessary to get employees excited about the change. Particularly employees who are skeptical or even dismissive of change must be helped by psychological concepts so that employees can understand the need for change. It is always helpful to involve employees in the change process, because this also increases acceptance on the part of the employees, since they can see how the change will manifest itself.