Human Resources Management In Context

Lecture Title :-
HRM and Organisational Change

Lecturer: Nathalie Xuereb Saydon

Date: 25th June 2025

Masters in Human Resources Management

Learning Objectives

- Critically assess HRM's strategic role in planning and implementing organizational change

- Analyze prominent change management concepts and frameworks and apply them to real-world HR issues.

- Identify common sources of resistance to change and evaluate HR initiatives to address them

- Create tactics for engaging and supporting employees during a transformational change

Group discussion

- What is the biggest workplace change you've experienced and how did HR respond?

- What kind of drastic changes can an organisation go through?

Organisational change refers to the process by which companies alter key components of their **structure**, **strategy**, **operational methods**, **technologies**, or **culture** to adapt to internal and external pressures. It involves **planned** or **unplanned** transitions that aim to improve effectiveness, competitiveness, or sustainability (Burnes, 2017).
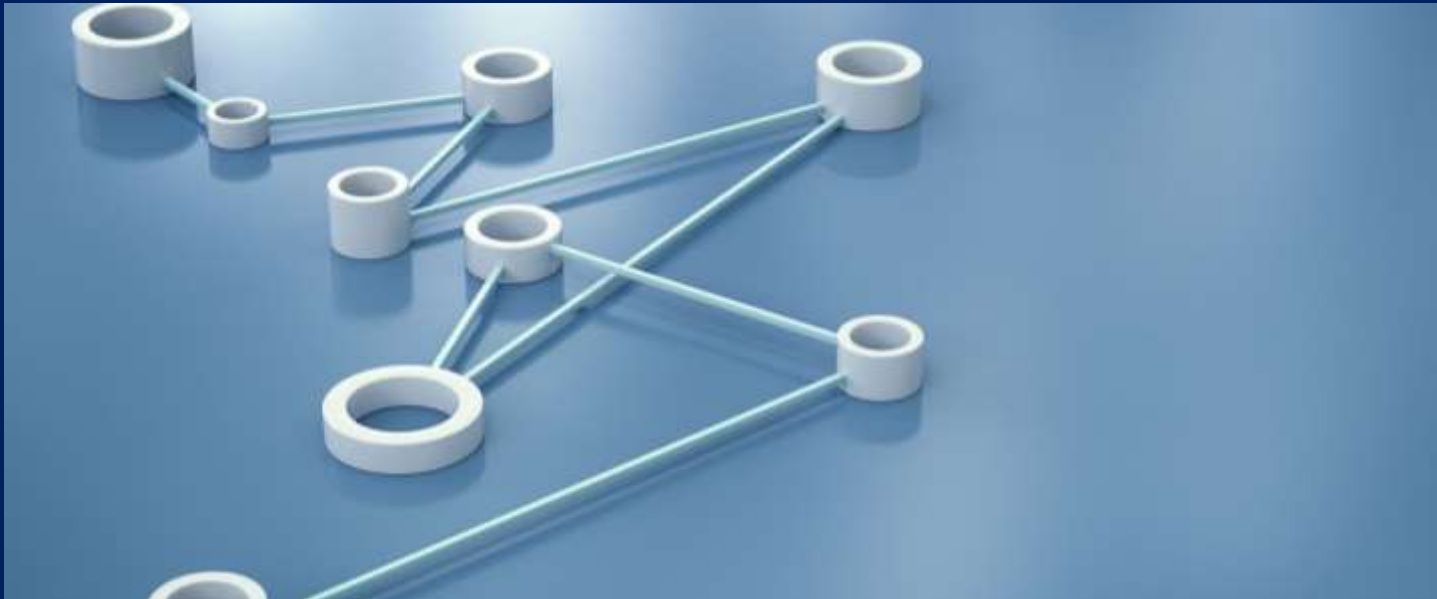
The Strategic Role of HR in Organisational Change

During Organisational Change HR should take a strategic role by:-

- Aligning people strategy with business goals

- Design and facilitate organizational development, culture shifts and leadership transformation

- Have strategic foresight by anticipating workforce implications of trends like globalization, automation, and regulatory changes.

- Integrating with business strategy by taking part in planning stages vs just executing after decisions are taken

- Taking on a driver role instead of a reactive role

The Strategic Role of HR in Organisational Change

Ulrich is a key contributor in positioning HR as a strategic partner. Ulrich's HR Strategic Partner Model positions HR as a key player in driving organizational success by aligning HR practices with business strategy. It emphasizes four roles for HR shifting HR from a support function to a strategic contributor.

"HR should not be defined by what it does, but by what it delivers."(Ulrich, 1997, p. 4)

HR Role	Function
Strategic Partner	Aligns HR strategies with business objectives; supports long-term planning.
Change Agent	Leads and manages organisational transformation and cultural change.
Administrative Expert	Streamlines HR processes; ensures operational efficiency and compliance.
Employee Champion	Advocates for employee needs; fosters engagement, wellbeing, and development.

Group discussion

- Which one of Ulrich's role / roles do you think are more dominant in general in organisations?

- Why?

Ulrich's Dominant and Underrepresented Roles

HR Role (Ulrich Model)	Status in Practice	Why?
Administrative Expert	✅ Dominant	Focus on efficiency, compliance, and process; measurable outcomes valued.
Employee Champion	✅ Dominant	Regular involvement in employee relations, wellbeing, and conflict resolution.
Strategic Partner	❌ Underrepresented	Limited influence at executive level; often excluded from strategy formation.
Change Agent	❌ Underrepresented	Change often led by consultants or operations; HR lacks perceived authority.

HR's Role in Shaping vs Reacting

- **Proactive HR:** Drives cultural change, designs future-fit talent strategies, anticipates reskilling needs.

- **Reactive HR:** Often stuck managing redundancy processes, compliance, or employee relations post-change.

Often times HR is not involved at initial strategic planning stages. This leads to misalignment between people outcomes and strategic goals.

Different Types of Organisational Change

Type of Change	Brief Description
Strategic Change	Changes to long-term goals, mission, or business direction.
Structural Change	Modifications to organisational hierarchy, reporting lines, or team configurations.
Operational Change	Improvements or shifts in daily processes, workflows, or procedures.
Technological Change	Introduction or upgrade of systems and digital tools that affect operations.
Cultural Change	Shifts in organisational values, behaviours, or workplace norms.
Transformational Change	Deep, organisation-wide change affecting strategy, systems, and culture.
Personnel Change	Changes involving staff, leadership, or workforce composition.

Internal and External Drivers of Organisational Change

Internal Drivers	External Drivers
Leadership changes or new vision	Market competition
Poor organisational performance	Technological advancements
Cultural misalignment	Regulatory or legal changes
Workforce demographics/skills gap	Shifting customer expectations
Innovation and digital initiatives	Economic conditions (e.g. inflation, recession)
Restructuring or mergers	Globalisation and geopolitical influences

Group discussion

FACT - 70% of change projects fail!!

Why do you think some organisational change initiatives fail, even when the business case is strong?

Barriers to Effective Organisational Change

- Resistance to change from employees / leaders

- Insufficient resources allocated to change process

- Employee distractions leading to decline in productivity

- No change in work style even though there are changes in organisation chart

- Lack of clarity of purpose

**Masters in
Human Resources Management**

Change Management Frameworks

Top 5 Change Management Models
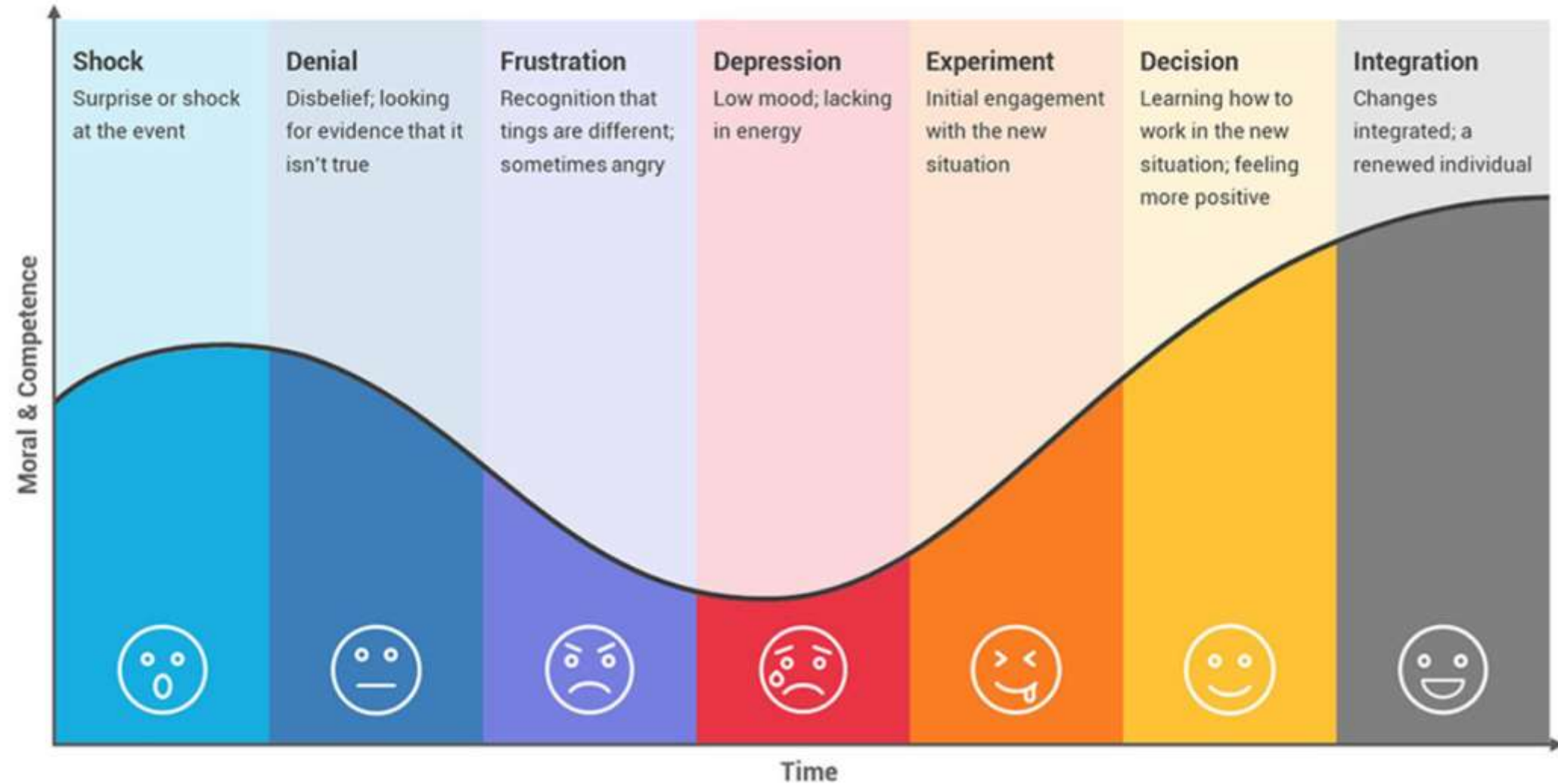
Kotter's model   McKinsey's 7 S model   ADKAR model   Kübler-Ross model   Lewin's model

Kübler-Ross Change Curve Model

Shock	Denial	Frustration	Depression	Experiment	Decision	Integration
Surprise or shock at the event	Disbelief; looking for evidence that it isn't true	Recognition that tings are different; sometimes angry	Low mood; lacking in energy	Initial engagement with the new situation	Learning how to work in the new situation; feeling more positive	Changes integrated; a renewed individual

Moral & Competence

Time

HR Response to Kubler-Ross' Change Stages

Stage	Typical Employee Response	Suggested HR Action
Shock	Surprise, confusion	
Denial	Refusal to accept reality	
Frustration	Anger, blame, resistance	
Depression	Withdrawal, low morale	
Experiment	Trying new behaviours	
Decision	Commitment to change	
Integration	Embedding new behaviours	

HR Response to Kubler-Ross' Change Stages

Stage	Typical Employee Response	Suggested HR Action
Shock	Surprise, confusion	Communicate clearly and calmly about the change
Denial	Refusal to accept reality	Share facts, hold Q&A sessions, involve direct managers
Frustration	Anger, blame, resistance	Offer emotional support, listen empathetically
Depression	Withdrawal, low morale	Provide counselling services, reinforce purpose
Experiment	Trying new behaviours	Encourage participation in pilots or training
Decision	Commitment to change	Recognise progress, set achievable goals
Integration	Embedding new behaviours	Align performance systems and celebrate success

Lewin's Change Process

Psychologist Kurt Lewin developed a model that summarizes the fundamental steps involved in bringing about a change with little opposition. Lewin believed that two types of forces— **those attempting to preserve the status quo** and **those promoting change**—were responsible for all organizational behavior. Therefore, putting change into action entails either strengthening the forces for change or weakening those maintaining the status quo.

Lewin proposes the following three-step process to facilitate change :

- **Unfreezing**
- **Moving**
- **Refreezing**

Lewin's Change Process

Stage	Description	Example	HR Activities
Unfreeze	Prepare the organisation to accept change by breaking down the existing status quo.	Announcing a shift to a hybrid work model after COVID-19.	- Communicate rationale for change - Engage stakeholders - Assess readiness
Change	Execute the change—new behaviors, processes, or structures are introduced.	Launching new digital tools for remote collaboration.	- Deliver training and support - Provide ongoing communication - Encourage feedback
Refreeze	Stabilize the organisation after change to ensure it sticks and becomes routine.	Embedding hybrid work into policy and performance management.	- Reinforce new behaviors - Update policies - Recognise and reward adoption

Kotter's 8-Step Change Model

In his book "Leading Change", John P. Kotter presented an 8-Step Change Model. By emphasizing the leadership and human aspects of change, the model offers an organized framework for managing an organization's transformation.

It places a major emphasis on establishing **urgency, forming powerful leadership alliances**, and **ingraining new behaviors into the culture**. The concept is frequently used to direct change initiatives, particularly significant or transformative change, in HR and corporate environments.

Kotter's 8-Step Change Model and Application

Step	HR Application
1. Create a Sense of Urgency	- Share data on performance gaps or external threats - Communicate the cost of inaction
2. Build a Guiding Coalition	- Identify and develop influential leaders and change champions - Foster cross-functional teams
3. Form a Strategic Vision and Initiatives	- Align people strategy with business goals - Help articulate the 'people side' of the vision
4. Communicate the Vision	- Lead transparent, consistent messaging across channels - Use storytelling and dialogue
5. Empower Broad-Based Action	- Remove barriers (e.g., rigid policies) - Provide training and resources - Encourage innovation
6. Generate Short-Term Wins	- Set achievable milestones - Recognise early adopters and team success publicly
7. Sustain Acceleration	- Support continuous learning - Update development plans and performance measures
8. Institute Change	- Embed new values into recruitment, onboarding, and appraisal - Adjust policies and structures to support change

McKinsey 7S Model

The McKinsey 7S Model was developed in the early 1980s by consultants Tom Peters, Robert Waterman, and colleagues at McKinsey & Company.

It is a strategic planning and diagnostic tool made to make sure that every component of an organization is in sync and functioning as a unit, especially during times of organizational change and transformation.

All **7 elements are interconnected**. A change in one (e.g., strategy) requires realignment of the others for successful implementation.

McKinsey 7S Model

Element Type	7S Element	Description
Hard Elements	**Strategy**	The organization's plan to build competitive advantage and achieve long-term goals.
	Structure	The organizational hierarchy, reporting lines, roles, and responsibilities.
	Systems	Day-to-day processes, procedures, and workflows that drive the organization.
Soft Elements	**Shared Values**	The core beliefs, norms, and culture that guide employee behavior and decision-making.
	Skills	The capabilities and competencies present within the organization.
	Style	The leadership style and management approach used by top executives and teams.
	Staff	The organization's workforce composition, development, and talent management.

Applying the McKinsey 7S Model

Using the McKinsey 7S framework will:

- Help **identify** misalignments during change (e.g., new strategy but outdated systems)
- **Support** organisational diagnosis before restructuring or transformation.

HR can use the model to:

- Align skills and staffing with strategic goals.
- Promote cultural change through shared values and leadership style.
- Ensure systems (e.g. performance management) support desired behaviours.

ADKAR MODEL

The AD**KAR Model** is a **goal-oriented change management framework** developed by Prosci founder Jeff Hiatt in 2003. It focuses on guiding individuals through the change process, recognising that **organisational change only succeeds when people change.**

ADKAR Stage	Description	HR Application
A – Awareness	Understanding the need for change	- Communicate the "why" through clear, transparent messaging - Address concerns early
D – Desire	Willingness to support and engage in the change	- Engage influencers - Align change with employee values and motivations - Offer incentives
K – Knowledge	Knowing how to change (skills, behaviors, processes)	- Deliver targeted training and education - Provide job aids and resources
A – Ability	Having the capability to implement the change in daily work	- Offer coaching and hands-on support - Create safe spaces for practice and feedback
R – Reinforcement	Sustaining the change over time	- Recognise and reward success - Monitor performance - Integrate change into policies and culture

Using ADKAR in HR & Change Management

The effective use of this model will:

-Break change into actionable steps at the individual level

-Help HR professionals identify gaps in change readiness

-Encourages a people-centric approach to implementing new policies, systems, or strategies.

-Supports smoother transitions in digital transformation, culture change, mergers, etc.

ADKAR works sequentially— Every step must be achieved for the change to succeed. For example, one cannot expect ability without first ensuring knowledge.

Group Exercise

Split in 3 groups

Each group will tackle 1 case study

- Choose **one change management model** (e.g., Lewin's, Kotter's, ADKAR or McKinsey) and apply the model to your case study.

- Highlight key steps that are relevant to HR's role.

🎮 **Case Study 1: Gaming Industry – Agile Transformation Company:**

- PixelForge Studios, a mid-size game development company, is shifting from a traditional development cycle to an Agile methodology to improve speed-to-market and collaboration. Designers and programmers struggle to adjust, citing unclear roles and overwhelming stand-up meetings.

- Challenge: How can HR strategically support behavioural and cultural change while upskilling staff for Agile processes?

✈️ Case Study 2: Aviation Maintenance – Safety Compliance Overhaul

- Company: AeroSecure Maintenance Services

- After a regulatory audit, AeroSecure must implement a new safety compliance framework, including process documentation, digital tracking systems, and revised maintenance protocols. Long-standing technicians feel micromanaged and disengaged.

- Challenge: What strategic steps should HR take to reinforce safety culture and support behavioural adaptation across all maintenance teams?

💊 **Case Study 3: Pharmaceutical – Restructuring R&D Teams**

- Company: Medisynth PharmaTo accelerate drug innovation

- Medisynth is restructuring its R&D department, merging early-phase and late-phase teams and introducing cross-functional leadership. Scientists are resistant, fearing loss of autonomy and research focus.

- Challenge: How can HR use strategic communication and change management to align people with the new structure and reduce silos?

**Masters in
Human Resources Management**