[Developing, Leading and Engaging People]

Lecture Title: Change in the Workplace

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Date: 30th June 2025   9.00 – 13.00hrs

21 ACADEMY

Masters in Human Resources Management

Learning Objectives

- Develop a critical awareness on challenges that change (technological, economic, political, social, and personal) brings about in the workplace.

- Analyse critically the implications of major changes on an organisation's workforce: Employee Morale; Skill Gaps and Training Needs; Organizational Culture; Workforce Structure and Roles; Communication and Trust; Diversity and Inclusion; Productivity Levels.

Learning Method

- **Lecture focused on learning objectives and core content** as a key instructional process.

- **Formative assessment through participative learning tools and activities** will be utilised evaluating students' comprehension and academic progress throughout - with respect to understanding and applying HRM concepts.

"Change is the only constant in life."

– Heraclitus

Exercise: QUIZ

1. A company implements AI tools that streamline customer service tasks. What is the most likely dual challenge this presents?

- A. Job displacement and need for digital retraining
- B. Reduced need for training and higher unemployment risk
- C. Decreased competition and profit loss
- D. Legal complications and product recalls

Formative Assessment

2. Which of the following best reflects the complex impact of economic recession on a business?

- A. Stable employee retention but reduced marketing
- B. Increased innovation but unstable workforce
- C. Shrinking revenues, layoffs, and internal restructuring
- D. Higher bonuses and rapid technological adoption

3. Which political change could most disrupt international business operations?

A. A government mandate on local holidays

B. Rising tuition fees for higher education

C. Trade restrictions or new tariffs

D. Change in public transportation policies

4. Which scenario best reflects a social change causing long-term structural shifts in workplace culture?

A. Replacing a manager

B. Increasing social media usage during breaks

C. Introduction of a new HR software

D. Generational shift in workforce expectations (e.g. Gen Z prioritizing work-life balance)

✅ **Answer Guide**

- Section A (Correct Answers and Justifications):

- ✅ A– Technological change like AI can eliminate routine jobs but requires employees to learn new skills to remain relevant.

- ✅ C – Recessions often lead to budget cuts, layoffs, and internal reshuffling to maintain viability.

- ✅ C – Trade barriers directly affect global operations, supply chains, and costs.

- ✅ D – Social value shifts (like Gen Z's emphasis on flexibility) alter company policies, hiring practices, and culture long-term.

Today, we are all living and working in a VUCA world.

- It is Volatile, Uncertain, Complex and Ambiguous.

- Organisational models are changing, faster than we can write about them.

- New technologies are introduced almost every month.

- We hear about Generation X, Generation Y and the Millennials....employees, customers.

But what does all this mean for organisations?

The best organisations adapt and they adapt quickly.

But the big question is how do they manage to do it so quickly?

And how can we adapt too?

What do you need to do differently?

Succeed in the future
by letting the past go

In this fast-paced world,

- Organisations need to outperform their markets by changing at the pace and scale of those markets

  – seeking operational renewal and excellence.

- The brands that were your lifeblood will likely not be the same brands that keep you alive in the future.

- Remember Kodak? In 1997, it had about 160,000 employees, and 85% of the world's photography relied on Kodak cameras.

- Yet, with the rise of mobile phone cameras, Kodak failed to adapt, went bankrupt, and its workforce was let go.

- The same fate befell other once-iconic brands. These companies didn't fail due to poor quality but because they couldn't evolve with changing times.

- Standing in the present, it's hard to imagine how much the world will change in the next decade.

- Yet, 70-90% of today's jobs may vanish within the next 10 years as we enter the "Fourth Industrial Revolution."

Three stories.

1. Nokia refused Android

2. Yahoo rejected Google

3. Kodak refused digital cameras

Lessons?

Lessons:

1. Take chances. Face the *status quo.*

2. Embrace the Change.

3. If you refuse to change with time, you'll become outdated.

The Impact of Change in the Modern Workplace

- Exploring Technological, Economic, Political, Social, and Personal Shifts

⚙️ Technological Change

- Key Points:

- Automation and AI transforming job roles

- Remote work enabled by digital tools

- Upskilling and reskilling becoming essential

- Cybersecurity and data privacy concerns

- *Example: Introduction of AI-powered customer service bots reducing need for call centre staff*

💰 Economic Change

- Key Points:

- Globalization and outsourcing

- Economic downturns leading to layoffs or restructuring

- Rise of the gig economy and freelance work

- Inflation affecting wages and benefits

- *Example: 2008 financial crisis reshaping hiring practices and job security*

🏛️ **Political Change**

- Key Points:

- Labor laws and regulations (e.g., minimum wage, working hours)

- Immigration policies affecting workforce diversity

- Trade policies influencing global operations

- Political instability impacting business confidence

- *Example: Brexit causing companies to relocate or adjust hiring strategies*

🌎 Social Change

- Key Points:

- Diversity, equity, and inclusion (DEI) initiatives

- Generational shifts in work expectations (e.g., Gen Z vs. Boomers)

- Mental health awareness and work-life balance

- Changing gender roles and parental leave policies

- *Example: Rise of hybrid work models post-pandemic to support flexibility*

Personal Change

- Key Points:

- Career transitions and personal growth

- Health issues or family responsibilities

- Relocation or lifestyle changes

- Individual adaptability and resilience

- *Example: An employee pursuing further education to switch careers*

Adapting to Change

- Key Points:

- Importance of continuous learning

- Leadership and communication during transitions

- Building a change-resilient culture

- Embracing innovation and feedback

📌 Conclusion

- Summary:

- Change is inevitable and multifaceted

- Organizations must be proactive, not reactive

- Empowering employees is key to successful adaptation

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- Major changes within an organization can significantly impact its workforce, with implications that can be both positive and challenging.

- Here is a critical analysis of these effects:

1. Employee Morale and Engagement

- Positive Impact: Changes, such as adopting modern technology or implementing flexible work arrangements, can boost morale by creating opportunities for growth and better work-life balance.

- Negative Impact: Sudden or poorly communicated changes can lead to uncertainty, anxiety, and a decrease in job satisfaction.

2. Skill Gaps and Training Needs

- Changes like digital transformation may require employees to upskill or reskill.

- While this fosters professional growth, it can also lead to resistance or stress among those who feel overwhelmed by the learning curve.

3. Organizational Culture

- A shift in leadership, mergers, or rebranding can redefine company values and norms.

- This can invigorate the workforce if aligned well but may alienate employees if the cultural shift feels forced or contradicts existing values.

4. Workforce Structure and Roles

- Changes such as downsizing or automation can lead to redundancies, creating fears of job insecurity.

- Conversely, restructuring may open up opportunities for advancement and innovative roles.

5. Communication and Trust

- Transparent communication during periods of change builds trust and helps employees adapt.

- However, lack of clarity or involvement in the change process can erode trust and result in resistance.

6. Diversity and Inclusion

- If not managed carefully, changes can unintentionally impact diversity and inclusion efforts, especially during downsizing or restructuring.

- On the other hand, actively prioritizing these aspects can foster a more inclusive and innovative environment.
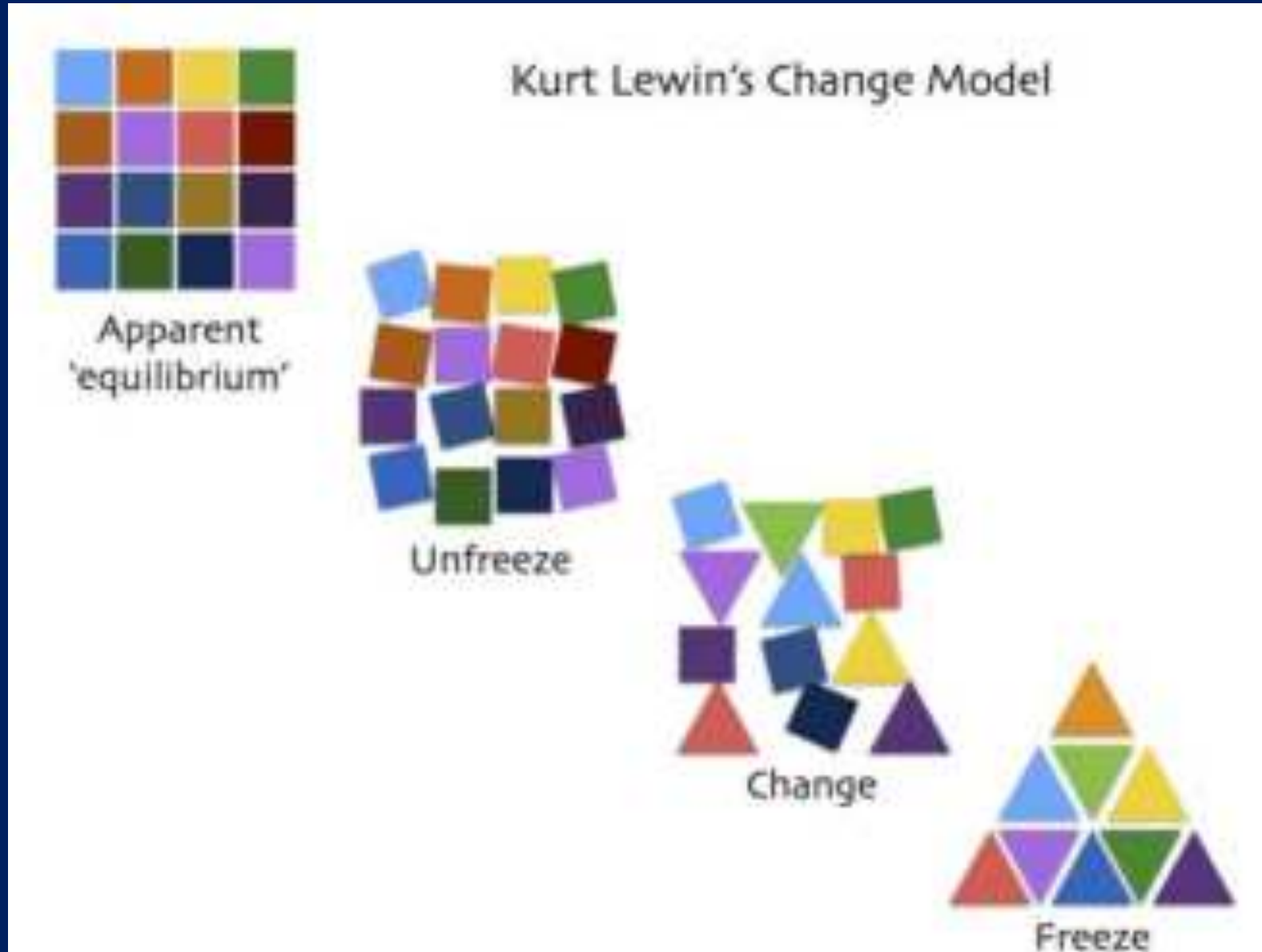
7. Productivity Levels

- Initially, changes may lead to a dip in productivity as employees adjust.

- Over time, however, positive changes such as updated systems or processes can enhance efficiency.
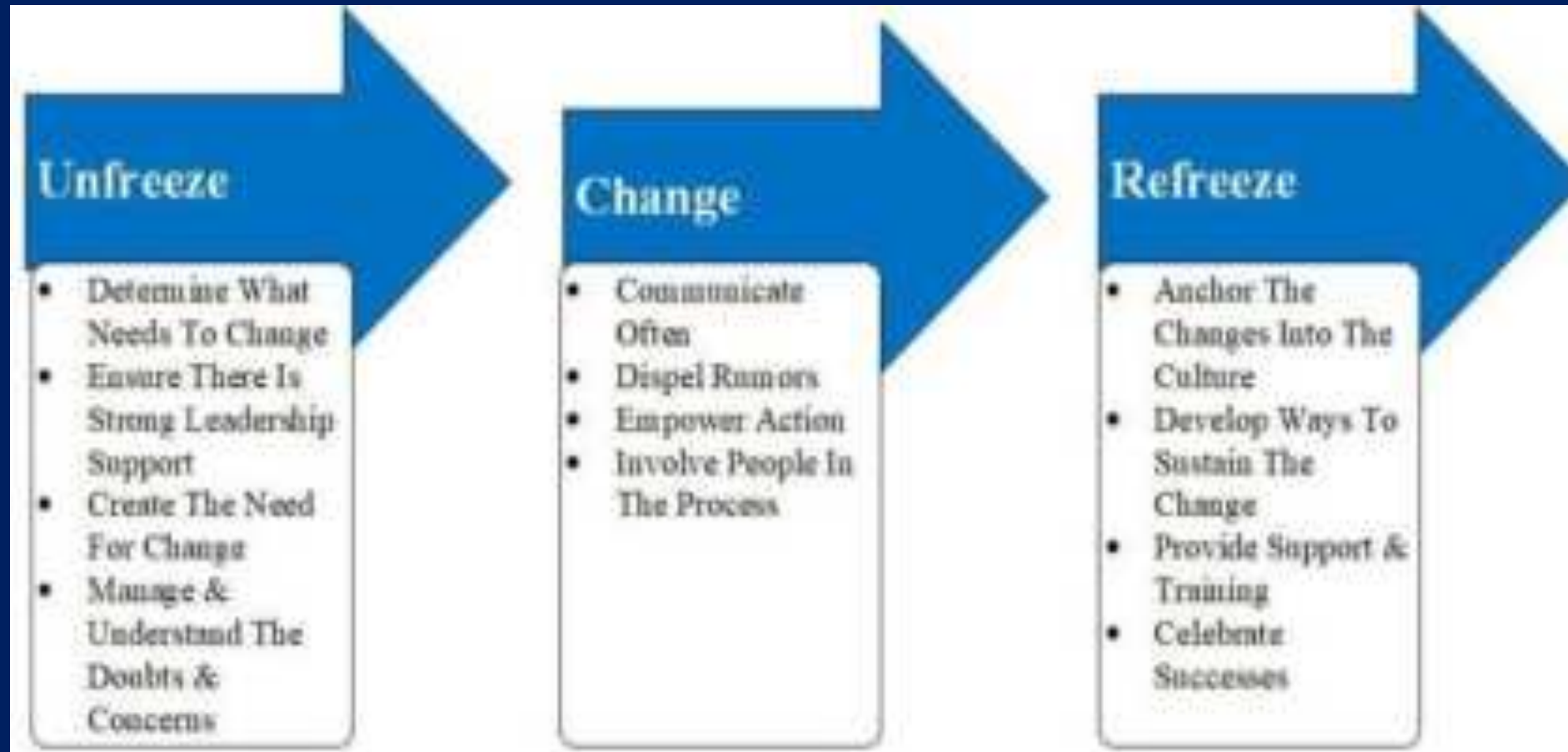
Recommendations for Managing Workforce Implications:

- Effective Change Management:

- Use structured frameworks like Lewin's Change Model or Kotter's 8-Step Process to guide the workforce through transitions.
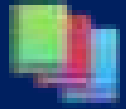
Kurt Lewin's Change Model

Kurt Lewin Change Model

Unfreeze

- Determine What Needs To Change
- Ensure There Is Strong Leadership Support
- Create The Need For Change
- Manage & Understand The Doubts & Concerns

Change

- Communicate Often
- Dispel Rumors
- Empower Action
- Involve People In The Process

Refreeze

- Anchor The Changes Into The Culture
- Develop Ways To Sustain The Change
- Provide Support & Training
- Celebrate Successes

Application in Practice – Groups Work

Case Study: Adapting to Digital Transformation at GreenTech Ltd.

GreenTech Ltd. is a mid-sized company specializing in environmental consulting. For years, it relied on paper-based records, manual scheduling, and in-person client consultations. However, due to market pressure and client expectations, the company decided to shift to a **cloud-based digital management system** for documentation, scheduling, and remote meetings.

The CEO announced the change suddenly in a company-wide email and gave teams a three-month deadline to adopt the new tools. While some younger employees were excited, many senior staff members expressed anxiety, frustration, and confusion. Productivity initially dropped, and there was tension between tech-savvy staff and those resistant to change.

Formative Assessment

Task:

Using **Lewin's Three-Step Change Model**
—**Unfreeze, Change, Refreeze**—

analyze the company's approach to managing this digital transformation. Identify what was done well or poorly at each stage and suggest how the process could have been improved.

Lewin's Change Management Model provides a structured framework for implementing organizational **change through three key stages: Unfreeze, Change, and Refreeze.**

1. Unfreeze

This stage involves preparing the organization to accept change.

In GreenTech's case, this stage was not effectively executed. The leadership failed to build urgency, engage staff, or involve them in discussions about the benefits and need for the digital system. Sending a single email announcing the change was impersonal and left staff feeling confused and unsupported. This led to resistance and anxiety, especially among senior employees unfamiliar with digital tools.

✅   Improvement Suggestion: The company should have held meetings to explain why the change was necessary (e.g., staying competitive, client demands), conducted surveys to gather employee concerns, and allowed for input in the planning stage.

2. Change (Transition)

This is when the organization begins to move toward the new way of working. GreenTech initiated the transition quickly, providing the tools but lacked a structured support system.

There was no formal training, mentoring, or feedback process during the transition. While some staff adapted quickly, others were left behind, causing division and productivity loss.

✅ Improvement Suggestion: Implement hands-on training sessions, assign digital "buddies" or mentors, and provide helplines or workshops for continuous support. Leaders should have been visible and active during the transition to model the desired behavior

3. Refreeze

This phase ensures that the changes are solidified into the company culture and operations.

At this point, GreenTech had not reached the Refreeze stage. The company did not reinforce the new system with updated policies, feedback mechanisms, or recognition for staff who adapted successfully. As a result, old habits re-emerged in some teams, and the digital tools were used inconsistently.

✅ Improvement Suggestion: GreenTech should update procedures, recognize employees who successfully adapted, and embed the new system into everyday operations. Continuous evaluation and celebrating milestones could help "freeze" the new normal.

Create a sense of urgency	Generate awareness on the need for organizational adaptation towards a change
Build a guiding coalition	Assemble an effective team of leaders committed towards realizing a change
Developing a change vision	Develop a clear strategy that guides in transforming a vision into reality
Communicate the vision for buy-in	Communicate the vision for buy-in: Successfully communicate the strategic vision to employees, gaining support while reducing resistance
Enable action	Eliminate barriers that impede transformation and empower employees to participate
Generate short-term wins	Ensure progress of the strategy has short-term visible improvements
Sustain acceleration	Consolidate gains and implement advanced changes
Institute change	Anchor these changes in the organizational culture for sustainable benefits

- Proactive Communication:

- Keep employees informed and engaged through transparent and consistent messaging.

- Employee Involvement:

- Encourage input and participation from employees to give them a sense of ownership and reduce resistance.

- Support Mechanisms:

- Offer training programs, counseling, or mentoring to help employees adapt to new roles, technologies, or cultural shifts.

Application in Practice – Duads Discussion

- Discuss how personal challenges (such as mental health or caregiving responsibilities) intersect with workplace productivity and team dynamics.

- Include at least three suggestions for how organizations can address this.

Formative Assessment

- When changes are managed thoughtfully, they can lead to innovation, growth, and stronger organizational resilience.

- However, neglecting workforce implications can result in attrition, disengagement, or even the failure of the change initiative itself.

- Organizations must therefore approach change holistically, considering both strategic objectives and the human element.

Face the challenge of change

Leaders need to be on the lookout for what today's quickly changing business landscape means to them and their organizations.

1. **Do you see opportunities others don't?**

Change breeds opportunity.

Don't out-compete your rivals; reinvent the rules of the game by finding new opportunities first.

2. Can your customers live without you?

Customers' options constantly evolve.
If your products and services aren't
indispensable, customers are likely to move on.

3. Are you learning as fast as the world is changing?

As a leader, you can't afford to stop learning.
Seek out ways to evolve and be humble enough
to know you don't always have the answer.

Quietly Promote Change

A leader who pushes a change agenda too hard risks building resistance and resentment,or even alienating his people.

1. **Model the change.**

Demonstrate the way you want things to change through your own language and behaviour.

Often, seeing a leader do something first gives people the courage to try it themselves.

2. Turn negatives into positives.

Find ways to reframe people's resistance as opportunities for change. This requires that you listen carefully, understand the underlying reasons for the opposition, and address them directly.
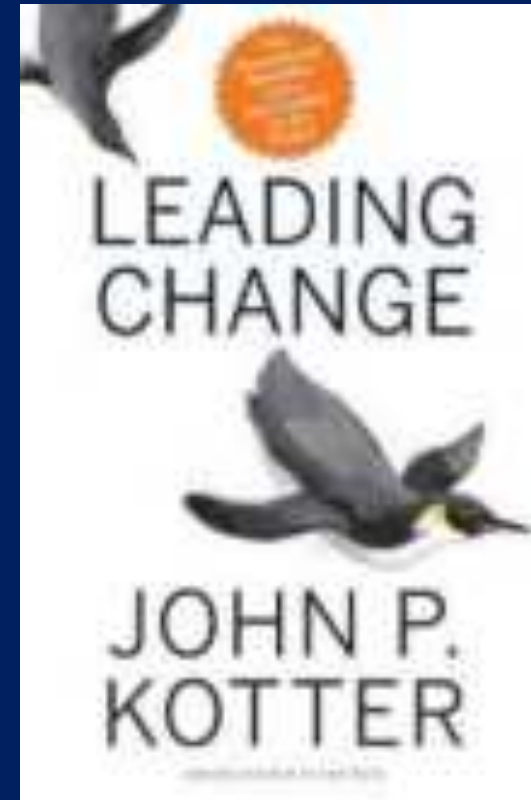
3.   Find allies.
Chances are someone else in the organization wants the change as badly as you do. Find that person and pool your resources and ideas.

"Producing change is about 80% leadership -

establishing direction, aligning, motivating and inspiring people,

and about 20% management –

planning, budgeting, organising and problem solving."

LEADING
CHANGE

JOHN P.
KOTTER

'Change Agents' are involved in both the promotion and management of change.

They have to inspire and motivate; manage and organise ideas, people and things - and support other people in the process!

"LEADERS ARE FUNDAMENTALLY DISSATISFIED WITH THE STATUS QUO AND DRIVE CHANGE TOWARD A VISION"

ROBERT LUTZ

"THE LESSONS YOU LEARN AND YOUR SPEED IN LEARNING THOSE LESSONS MAY BE THE DEFINING FACTOR IN YOUR ORGANISATION'S SUCCESS, AS WELL AS ITS SURVIVAL."

(Ken Blanchard)

'Be the change you want to see in the world.'

Mahatma Gandhi

"It is not the strongest of the species that survive, not the most intelligent, but those that are the **most responsive to change.**"

Charles Darwin

Leading Change: Adding Value

NHS Case Scenario

https://www.youtube.com/watch?v=85icsVVjuQ0

References

- Armstrong M. (2009) Handbook of Human Resource Management Practice - Kogan Page 11th Edition

- Harvard Business Review

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