



'BREAKING' THE CYCLE

MANAGING CHANGE SUCCESSFULLY IN A LATE-MATURITY STAGE OF BUSINESS

BSc Thesis

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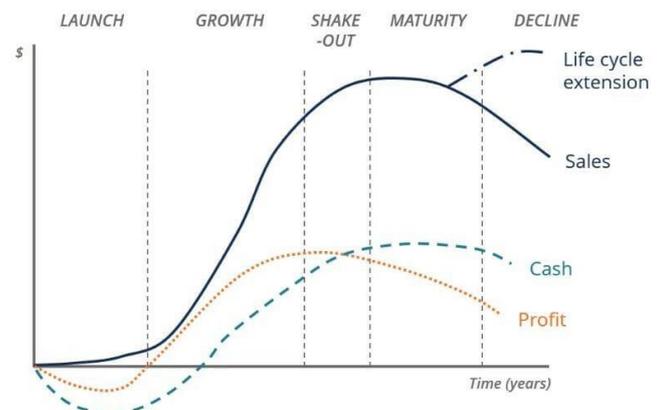
1 Introduction

Through a rapidly globalizing market and fast adoption of technological innovations the environment organizations act in is more dynamic than ever before. This results in organizations that disappear from the market: V&D (NOS, 2015), try to adapt towards the external environment Blokker (Annual report Blokker Holding 2016, 2017) and organizations that remain stable or keep on growing. (WUR, 2018).

An example of an organization that wants to change towards their external environment is Blokker. Blokker is a household store with 400 sites located in the Netherlands. Blokker exists for more than 120 years and offers work for 6500 employees. Due to the decreasing sales and increasing losses since 2010, Blokker tries to change the organization with the plan '*transformatiestrategie 2017*' (Annual report 2016). This plan should result in a turnaround in business and an extension of the life time of Blokker within three years. This transformation attempt was followed by numerous change attempts. In 2016 a radical transformation took place Intertoys, Bart Smit en Toys XL merged into Intertoys and a new store formula 'De Nieuwste Blokker' was introduced. (Annual report 2016) In 2017 the significant change in strategy, Blokker sold all the holding companies Leen Bakker, Intertoys, Maxi Toys, Xenos and Big Bazar except from the core company Blokker. (Annual report 2017) All examples of attempts of Blokker trying to achieve organizational change. The execution of those attempts didn't result in noticeable successes yet for the organization, last year a record loss for the company has occurred of € 344 million. (Annual report Blokker Holding 2017) The Blokker holding is for sale at this moment. (Financieel Dagblad, 2018)

The common aspect that all organizations above are dealing with is the different development of the organization in different stages of 'life'. The business life cycle shows that all organizations develop through a similar five stages cycle with an distinct start and end point. (Corporate Financial Institute, 2018)

- 1) (Start) Launch, known for low sales and high start-up costs
- 2) Growth, known for rapid sales growth and cash flow becomes positive
- 3) Shake-out, known for sales increases at a slower rate and cash flow exceeding profits
- 4) Maturity, known for sales start to slowly decrease and profit margin decreases
- 5) (End) Decline, known for decreasing sales, profit and cash flow with market exit as a result.



However, there are organizations out there, Wageningen University e.g. , who stay in the maturity stage of business and don't automatically end-up in the decline stage, such as Blokker. This business life cycle approach raises the question how organizations are able to stay connected towards their external environment on the long-term and what organizations do to achieve this successful connection?

To mention an example that 'breaks' the business life cycle: the case of Wageningen University. Wageningen University & Research is nowadays an university known for its specialization on exploring the potential of nature and improving the quality of life. (WUR, 2018) Due to different

change interventions: re-organizations, strategic changes and different integrations of university and research institutes. Wageningen University & Research has become the common umbrella term for the whole institute after these change interventions. But before all those organizational changes took place the Landbouw Universiteit (WUR, 2018) had a hard time in sustaining as a university. There was a decline of students and the university was at a turning point. The university had among other a mismatch between the current supply of education focused on national agriculture and the demand for other types of agricultural such as: tropical agriculture. After change interventions such as combining the strengths of all the research organizations and departments around the university, there was finally a clear and niche vision for Wageningen University & Research, this change was one of the reason for the tripled number of students in 2018: 12.001 compared to 2002: 4.571 Wageningen. (WUR, 2018). Through change interventions Wageningen University broke the life cycle and turned a late-maturity stage situation into an university with an enormous growing number of students.

The development of an organization could be seen as the interaction between the organization and their external environment, but this interaction could be viewed at different ways. The above mentioned life cycle process is one view on the process. Next to this life cycle process three other views on change process towards external environment alignment could be identified. So, in general there are four main theories and these are teleological theories, dialectical theories, life cycle theories and evolutionary theories. (Hayes, 2010).

According to the book 'Managing Change' of Hayes (2010) the teleological theory recalls the process of change viewed as a manageable process, following a constructed trajectory. In the dialectical theory, change is explained by the confrontation and balance between different interest groups. In the life cycle theory each organization develops and changes itself, regardless of the external environment, through defined cycles. Evolutionary theories explain change as a continuous cycle of variation and natural selection and the adaption towards the optimal form to survive.

To learn about what organization do in managing change successfully towards their external environment a combination of the life cycle approach and the teleological approach is made. The life cycle approach, especially the late-maturity stage is the starting point of this research, while there are organizations out there that don't end-up in the maturity stage and 'break' the business life cycle. To learn about what organizations do to 'break' this life cycle and continue growth or remain stable the teleological theory is added. This theory is added while teleological theories state that the process of change is a manageable constructed process. The combination of the teleological approach will show what organizations undertake to grow or stabilize in a late maturity stage of business.

Where the business life cycle forms the starting point of the research, forms the teleological approach the specific research questions with the goal to learn and analyze the phenomena. The teleological approach of Hayes is chosen, the reasoning behind the selection of this model will be explained in the theoretical framework. The process model of Hayes consist of the following steps:

1. Recognize the need for change
2. Diagnose what needs to be changed and formulate a preferred future state
3. Planning the change
4. Implementing the change and reviewing
5. Sustaining the change

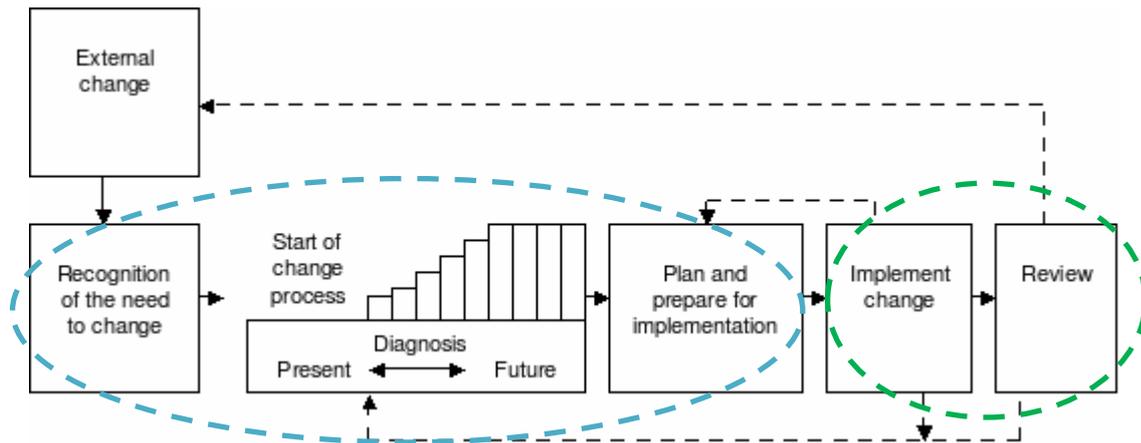


Figure 2: process of Change Hayes (2002)

1.1 Theoretical framework

The teleological change model of Hayes, used to analyse change across organizations, is a process model. In the this background, is shown why process models are still relevant nowadays and why this thesis uses the process model foundations from Hayes.

Organizational change management is defined in many ways. According to Hayes (2010), who believes that change is a manageable process (teleological), change management is: 'the process of recognizing the need for change, diagnosing what needs to change, planning and implementing change and finally sustain the change with the main goal of long-term sustainability of the organization' (Hayes, 2010).

The foundations for above mentioned change management, were formed around the early 20th century. Van Gennep (1960) was the first founder that proposed a 3-step process model to approach change. Van Gennep mentioned that change consisted of 3 steps: 1) disconnecting from its original state 2) moving through a transition 3) assimilating into a new future state. (Van Gennep, 1960)

Change management could be seen as an elaboration on the principles of process models. Process models for change exist for a longer time and often have their foundations in the work of Lewin. In 1947 Lewin discussed the fact that any level of organizational behavior is sustained in a condition of equilibrium of forces pushing change and forces resisting change (Lewin, 1947). Following on this thoughts Lewin opposed 'the field theory' (Lewin, 1947) . This theory that was based on reducing the restraining forces towards change (pull strategy) to create a sort of 'demand' for change that wasn't limited by any force. This was the opposite of the at that time common push strategy (Lewin, 1947) where the need for change is clearly pushed towards people. Lewin was convinced that a pull strategy would work better than a push strategy because he believed that involving people would contribute in making widely supported change decisions. By involving people Lewin presumed that people stay more committed towards the implemented change and the changes would be more permanent than when using a push strategy.

Lewin suggested that successful change requires, as well as van Gennep, a three-step process that involves the stages of unfreezing, moving and refreezing. Managing change involves helping an organization: (Lewin, 1947)

1. unfreeze or unlock the existing level of behaviour
2. move to a new level
3. refreeze behaviour at this new level.

This three step model also called planned approach towards change because change is seen as a manageable, planned process. The planned approach to manage change got increasingly criticized especially around the 1990's. (Burnes, 2004)

Survival of Lewin's process model

Burnes planned approach to manage change got critized a lot, to show why process models are still relevant nowadays the main critics are explained, discussed and refuted. Critics could be categorized into three main directions according to Burnes (2004):

The planned character of the approach. Lewin's approach assumes that organizations operate in a stable state; ignoring organizational power and politics, top-down steering and management-driven.

First, many studies have argued that Lewin's Planned approach is too simplistic and mechanistic for a world where organizational change is a continuous and open-ended process (Burnes, 2004). Burnes (2004) refuted that criticism by mentioning that the critics misinterpreted Lewin's meaning of perceived stability and change. As Lewin stated 'One should view the present situation – the status quo – as being maintained by certain conditions or forces. Just as the amount of water supply and the nature of the river bed determine the flow of the river, its constancy or change.' (Burnes, 2004) Lewin mentioned that the environment could be maintained stable when certain conditions or forces stay the same, but he compared the external environment also with a river, when the water supply changes the whole situation changes. So indeed Lewin is saying that the environment isn't stable at all, it depends on the factors 'supply of water' symbolizing the external environment and the organizations symbolized by the 'river'.

Second, Lewin's theory was accused of ignoring the role of power and politics in organizations and the conflictual nature of much of organizational life (Burnes, 2004).

Lewin got accused for underestimating the power system and politics in current organizations that could make it complicated to implement the '3-step' model. However, Lewin mentioned that to improve inter-group relations the organizations has to ace a wide variety of tasks and that it was hopeless to attack any one of these aspects of inter-group relations without considering the others. (Lewin, 1947). Lewin was deeply concentrating on the role that power and people play in the organization that's why Lewin's approach didn't solely depend on the 3-step model but explicitly depended on the integration of the field theory, group dynamics, action research and the 3-step model. (Lewin, 1947)

Third, Lewin is seen as advocating a top-down, management-driven approach to change and ignoring situations requiring bottom-up change (Burnes, 2004).

Burnes (2004) also states that this is a misinterpretation, Lewin did take into account a bottom-up approach. Lewin believed in the fact that 'only by gaining the commitment of all those concerned, through their full involvement in the change process, would change be successful' (Lewin, 1947). Lewin didn't saw any group or individual as driving or dominating the change processes but saw everyone as equally important in the process of change. Clearly the opposite of what the Top-down, management driven approaches stated.

In the end, process models of change are still relevant, as one of the approaches and Lewin's theory as a starting point seems as a solid base for multiple process models.

Elaborations on process models

Process models developed overtime starting with Watson (1958), who elaborated further on the principles of the planned approach of Lewin. Watson (1958) adds that it is as important to emphasize on:

- the need for 'help' by a change manager
- the development of alternative possibilities for change
- the relationship between changemaker and change affected people

Beckhard et al. (1987) also elaborates on the process model of Lewin. They focus clearly on a preferred future state after change and before change the status quo is analyzed. Furthermore, Beckhard and colleagues add that the organizational transition of managing complex issues addresses priority to the period after change of 'stability' and 'reviewing the change' to sustain the changes made.

Hayes developed the process of change based on the strength of Lewin's theory combined with the contributions of: the importance of developing change relationships (Watson, 1958) ; the analysis of the status quo and desirable state (Beckhard, 1987) ; develop alternative possibilities for change (Watson, 1958) and what to do after change reviewing and monitoring (Beckhard, 1987). The process of change describes change as a clear five step change process which made the model applicable to this case study. (1)Recognize the need for change, (2) diagnose the internal need for change, (3) plan the change (4) implement change, (5) sustain change

1.2 Main objective

The main objective of this thesis is to analyze and learn about the actions organizations undertake, in a late maturity stage of business, to break the business life cycle and remain stable or keep growing.

The pattern in implementing change interventions and the success of this implementation across organizations will evolve from analyzing the case studies. Those results or pattern could provide useful information and best-practices towards future change makers in organizations that want to 'break' the life cycle and change towards their external environment successfully!

1.3 Theoretical research framework

Main research question

To what extent could patterns be identified in the way organizations manage change in a late-maturity stage to 'break' the business life cycle successfully and which factors contribute to a successful change process?

Specific research questions

To what extent is there a pattern in *the preparation* for managing change across organizations?

The preparation focuses on the first 3 steps (Figure 2: blue circle) of Hayes analyzing the preparation and diagnosing before any change intervention was made.

To what extent is there a pattern in *the intervention* used for managing change across organizations?

The intervention focuses on step 4 and 5 of the model (Figure 2: green circle) meaning the planning and implementation of the intervention.

Based on the process model of change a methodological approach, explained below, was formed to answer the specific research questions that were created to answer the main research question.

As explained in the research objective, the first specific research questions focuses on the preparations for organizational change. To make this analysis more complete the way of recognizing the need for change is divided into external needs for change and internal needs for change.

To analyze the external need for change PESTEL analysis is used while this analysis gives information about the reason why organizations needed change. Particularly looking for problems of organizations to meet customer demand and reasons behind economic losses that indicate a mismatch with the external environment. PESTEL monitors the macro environmental factors that (potentially could) influence the organization. The PESTEL analysis uncovers a base for new business opportunities in five factors in the near future and clearly shows whether there is a mismatch

between the current operations, the macro-environment and industry. PESTEL is an acronym for five factors:

- Political, for example: the degree of government intervention, tax policy, trade restrictions.
- Economic, for example: economic growth, interest rates, exchange rates.
- Social-cultural, for example: attitudes and shared beliefs of the population.
- Technological, for example: innovation in producing, distributing and communicating.
- Ecological, for example: pollution targets, new animal friendly production policies.
- Legal, for example: health and safety, consumer rights, product safety.

To diagnose what needs to change within the organization to succeed in business and turnaround the late maturity stage of business the 7S model of McKinsey is used. McKinsey stated that there are seven different types of changes within an organization that should be aligned with the environment to make a successful business. The McKinsey 7S model is used while it supports the analysis of the preparations made before doing an intervention and gives context towards the current situation of operating. Furthermore the model is beneficial due to the categorization on where internal mismatches exist based on the external environment of the organization. This categorization consists of seven variables: (Hayes, 2002)

- **Strategy:** Purpose of the business and the way the organization seeks to enhance its competitive advantage.
- **Structure:** Division of activities; integration and coordination mechanisms; nature of informal organization.
- **Systems:** Formal procedures for measurement, reward and resource allocation; informal routines for communicating, resolving conflicts and so on.
- **Staff:** The organization's human resources, its demographic, educational and attitudinal characteristics.
- **Style:** Typical behavior patterns of key groups, such as managers and other professionals, and the organization as a whole.
- **Shared values and superordinate goals:** Core beliefs and values and how these influence the organization's orientation to customers, employees, shareholders and society at large.
- **Skills:** The organization's core competences and distinctive capabilities.

The second specific research question focuses on the intervention and the implementation of this intervention. The types of intervention used by organizations are structured through the framework of Cummings, this framework is chosen while this framework has a broad view that takes into account the strategic organization intervention and also personnel, work completion and human processes. (Cummings, 2003) resulting in four types:

- ✓ **Strategic intervention**, link the internal functioning of the organization with the wider environment. The aim is to align business strategy with organizational culture and the external environment.
- ✓ **Human resource intervention**, focuses on personnel practices such as selection, training and development, goal setting, performance appraisal, incentives, internal promotion systems, career development and so on, and how they can be used to integrate people into the organization.
- ✓ **Techno structural intervention**, focuses on the three areas of structure, task methods and job design and are intended to affect the content of work, work methods, the way work is divided between organizational members, and employee involvement

- ✓ **Human process intervention**, focus on people and the processes by which they accomplish organizational goals, such as communication, problem solving, decision making and leadership.

So eventually every case discussed is analysed according towards three theories based on the 5 step model of Hayes: PESTEL analysis, McKinsey 7S model and Cummings intervention type model.

1.4 Method

A case study is conducted because the nature of case studies is that a case study examines a phenomena within its context. In this case the phenomena of managing change in a late-maturity stage of business is analyzed within the context of the organization and the industry.

There are three types of case studies distinguished (Yin, 2013) exploratory (who) , descriptive (what) and explanatory (why). This thesis provides an insight about why some organizations are able to survive in business in a late-maturity stage. This thesis has an explanatory and a descriptive art of nature. An explanatory perspective because the reasons behind the successes of organizational interventions are analyzed. A descriptive perspective while the interventions of every organizations should be clearly explained and the characteristics of the specific organization are necessary.

A multiple case framework is used to examine to what extent the pattern of managing change (the phenomena) differs across separate (cases) organizations. Furthermore a multiple case study design is chosen while we explicitly want to analyze and compare different contexts and organizations in their preparation towards change and their types of interventions.

To analyze the cases, a holistic approach is chosen. The holistic approach characterizes itself by studying one unit of analysis (Yin, 2013). In this research the unit of analysis is the organization as a whole, this organization is then analyzed according towards the five steps of the Hayes model.

According to Yin (2013) a multiple case analysis can settle with the goal to discover a pattern can settle for three to four replications. The scientifically documented cases are selected by the below criteria, this thesis involves case studies about organizations that:

act in a late maturity stage of business; to determine if an organization acts in a late maturity stage of business the organization was reviewed based on characteristics of this particular stage. Signals of a late-maturity stage of business: declining sales, declining profit, declining employee and customer satisfaction and published management / advisory board critiques or warnings about the operations of the organizations

did apply organizational change to survive; clearly implementing change interventions to sustain as an organization. Relevant criteria while this information forms the fundament for the organizational analysis.

clearly described the change process implemented; to be complete the effect(s) of the implemented interventions should be addressed in the case description from different perspective. Because the effect of the success should be analyzed throughout the whole organization and not only be viewed form a management perspective.

had noticeable success implementing change interventions; only cases with clearly described successes were chosen, this data is essential to determine the success of a change intervention.

- **Case 1: XYZ construction**, an anonymous case study of a company specialized in producing foundations of constructions and end-delivery of whole construction. (Burnes, 2004)

Established in: -
 Country: -, European-based.
 Employees: 500 FTE (1996)
 Sales / profit : - / -
 Stage of business life cycle: Late-maturity stage
 Still active: -
 Time-line of the case study: 1996-2000

*Despite the anonymous character and little information about the characteristics of the organization the XYZ case is relevant. Due to the clearly described change interventions and the well documented and explained successes that XYZ construction achieved.

- **Case 2: Oticon**, a Royal Danish company providing hearing-aid via analogue and behind-ear technologies. (Hayes, 2010)

Established in: 1904
 Country: Denmark
 Employees: 145 FTE (1987)
 Sales / profit: € 450 million / € 16 million per year (1990)
 Stage of business life cycle: Late-maturity stage
 Still active: Yes, Oticon still operates.
 Website: <https://www.oticon.com/>
 Time-line of the case study: 1987-1997

- **Case 3: GK Printers**, an Australian family-owned company focused on printing promotion material, professional reports and paperwork. (Hayes, 2010)

Established in: 1974
 Country: Australia
 Employees: 20 FTE (1980)
 Sales / profit: € 1 million / -€ 22.000 (1980)
 Stage of business life cycle: Late-maturity stage, decline stage
 Still active: Yes, currently doing business as 'GK Craig Printing'
 Website: <http://www.gkcraig.com.au/about-us/>
 Time-line of the case study: 1980-1995

- **Case 4: General Motors**, a multinational car manufacturer for brands like: Chevrolet, Pontiac, Buick and Cadillac. (Kahn, 2014)

Established in: 1908
 Country: United States of America
 Employees: 226.000 FTE
 Sales / profit : - / -
 Stage of business life cycle: Late-maturity stage
 Still active: Yes, General Motors still operates.
 Website: <https://www.gm.com/>
 Time-line of the case study: 1990-2000

2 The first part: 'preparation' of the change process

The first part of the change process is analyzed per case as stated with the PESTEL analysis and the 7S model of McKinsey. The goal of this analysis of 'preparation' is to uncover what the most important reason for organizations is to pursue change and how organizations prepare for this organizational change.

3.1 Analysis of XYZ construction (Burnes, 2004)

Case information: XYZ construction is a company specialized in producing foundations of constructions and the end-delivery of whole constructions. In the external environment or the industry of XYZ construction there was a lot of competition. In the case of the construction industry the main competitiveness was in the type of organization. Either a construction company was a main contractor or a sub-contractor. A main contractor facilitated all kinds of construction services and delivered the full package to the customer, a sub-contractor firm was specialized in a specific part of the construction process and delivered specialized parts to the consumer. There was besides the mutual competition, competition between the main contractors as well. This competition led to lots of litigations within the industry in the past and building relationships with both parties (main contractors and sub-contractors) failed continuously.

Interpretation: The external need for change was economic namely: the number of competitors and the mutual competition between sub-contractors and main contractors. According towards the McKinsey model the internal environment is categorized in response to the descriptions in the case:

- Strategy – According to the case description XYZ wants to develop the current competitive relationships between main contractors and sub-contractors into a relationship based on mutual trust and cooperation to improve future relationships and business.
- Style of managers – As mentioned in the case, within the organization the way of working, thinking, critical reviewing and cooperating needs to be developed into a more cooperative and open culture.
- Shared values and superordinate goals (culture) – In the case study the manager talked about an 'under-take a root and branch overhaul of the company's operations and culture'. That clearly indicates that the shared value and goals of the company needed to be aligned with the new strategy and new way of working.

3.2 Analysis of Oticon (Burnes, 2010)

Case information: Oticon, a company providing hearing-aid via analogue and behind the ear technology. As the industry of in-ear products was evolving Oticon experienced a decline in sales due to a mismatch between product and a mismatch in technology. The hearing-aid market in the 1980's and main competitors of Oticon were clearly moving towards the in-ear hearing aid instead of Oticon's traditional behind the ear hearing aid. Clearly this trend of customer behavior was a reason for Oticon to change.

Also Oticon missed the boat on digitizing their technology. As competitors of Oticon were investing and spending time in digitalized hearing technology, Oticon remained to their high-expertise

analogue technique. The impact of the technological development of digital hearing aid was clearly noticeable, because Oticon lost almost half of their equity in one year, a major reason for change.

Interpretation: The main drivers for changing Oticon are economic drivers and technological drivers. Oticon dealt with a mismatch of the product and the customer. This mismatch between supply and demand is a clear economic reason for change. Furthermore the technological movement also influences the reason for change, while Oticon missed the digital trend it runs behind other digitalized organizations.

According to the McKinsey model Oticon needed a transition in strategy, a clear structural change in the organization of activities and systematic change of communication.

- Strategy – According to the case description Oticon needs to move from a technological orientation to a knowledge orientation, from a technology-based manufacturing company to a knowledge-based service business. A transition in vision, so categorized as a strategy according to McKinsey.
- Structure – The case states that departments and job titles within Oticon would disappear and all activities would become projects initiated and pursued informally by groupings of interested people. Jobs would be re-designed into fluid and unique combinations of functions to suit each employee's needs and capabilities. So improvements in the structure of operating and doing business by working together.
- Systems - All workplaces of the formal office would be eradicated and replaced by open space filled with workstations that anyone could use. Informal, face-to-face dialogue would replace memos as the acceptable mode of communication. A new way of (in)formal communication, this characteristic fits into the systems category.

3.3 Analysis of GK Printers Limited (Burnes, 2010)

Case information: GK Printers is a company focused on printing promotion material, professional reports and paperwork. Due to the early 1980s recession GK Printers got a massive impact on their sales and the family-run business took a relatively big loss. The recession influenced their customer base and the numbers of orders decreased as long as the recession was going on.

Furthermore the industry GK printers had made strong technological improvements during the previous years, where GK printers stood still and remained their current activities. Competitors were in particular investing in computerized printing techniques, resulting in more efficient, faster and better-quality service.

Also there was a new trend in upcoming small suppliers of printing facilities (for example: quick photo shoots and quick design frames). This, after the digitalization already did his part of fragmenting, fragmented the market for GK printers even more.

As well as in the other case customer demands were changing and again there is here a mismatch between the customer and the final product of GK Printers. Customers in the 80s were becoming more image conscious and wanted a more designed product, so what customers did was not directly go to a printing facility anymore but they went to graphic designers, who could do both: printing as well as designing.

Interpretation: The financial crisis that GK printing dealt with is a typical economical factor of the PESTEL-analysis. Also the mismatch between customer demand and the supply of GK resulted in an

economic reason for change. Technological development (digitalization) resulted in a more and more fragmented competitors base, which was also the other main reason for change.

According to my interpretation of the McKinsey model GK printers wants to develop strategically with a new business plan and expands in staff and systems to pursue this strategy.

- Strategy – According to the case GK printers developed a strategy of the new business model resulting in the following main activities: Progressively replacing old printing machines with newer, more capable equipment and upgrading the company's image. GK introduced a new business model, a clear strategic development.
- Staff – GK printers want to expand the current employee base with the appointment of a Marketing and Design Manager to develop the company's customer base and provide a graphic design capability. A noticeable idea about the investment in staff.
- Systems – The case states that GK printers want to add supporting computerised systems for printing operations. A systematic internal need.

3.4 Analysis of General Motors (Kahn, 2014)

Case description: General Motors, a multinational car manufacturer for brands like: Chevrolet, Pontiac, Buick and Cadillac. Around 2000s Japan's auto market quickly emerged especially Toyota, this impacted directly the profits of General Motors. Due to the expansion of Toyota overseas the competition between General Motors and the rapidly developing competitor Toyota the competition in the external environment was high. Also General Motors was facing a series of financial crises happening in the U.S.A. that made the cash flow of General Motors further collapse.

General Motors had made agreements with the Trading Union, takes care of the rights and duties of employees, on the wage level of all employees. In comparison to their emerging competitor Toyota, \$44, the wages of General Motors were very high, \$74.

Also General Motors was forced to run their plant at minimal 80% of the total capacity. Independent on the need of the outputs that were produced, this measure did indeed play a big role in the decreasing cash flow and finally the bankruptcy of the cooperate.

Interpretation: The financial crises combined with increasing competition and expansion of overseas competitors clearly indicate an economic reasons for change. The legal aspect of the high minimum wages that GM offered its employees in comparison towards other competitors were also a reason for change.

According towards my interpretation the 7S model contained a strategic (cost-cutting), structural (removal automotive board) and shared values and superordinate goals (improve accountability and responsibility employees).

- Strategy - The parent-company wanted according to the case to reduce the cost of multiple brands to maintain the profit level. Similarly the company also cut the wages of employees which was one of GM's major problem . The company has set the target of cost cutting up to 15 billion in the following year.
- Structure – GM removed it automotive product board and changed it up to 8 men board decision making team which were responsible to report directly to CEO. The main objective of such change is to speed up the day-to-day decision making processes by a structural change.

- Shared values and superordinate goals - GM wants to change the culture to improve the efficiency of the employees and make the employees accountable and responsible.

Conclusion(s):

To conclude, all of the organizations started with the misalignment with the external environment resulting in an increasing number of the competitors. The increasing competition is the most important external environment threat for the organizations analyzed. Characterizing for all companies acting in their late-maturity stage of business have an increased number of competitors due to market forces (Corporate Financial Institute, e.d.). The interesting and differentiating aspect between the organizations lays in the detail of the cause of increased competition.

The reasons for misalignment with the external environment could be categorized according PESTEL Analysis into three main causes:

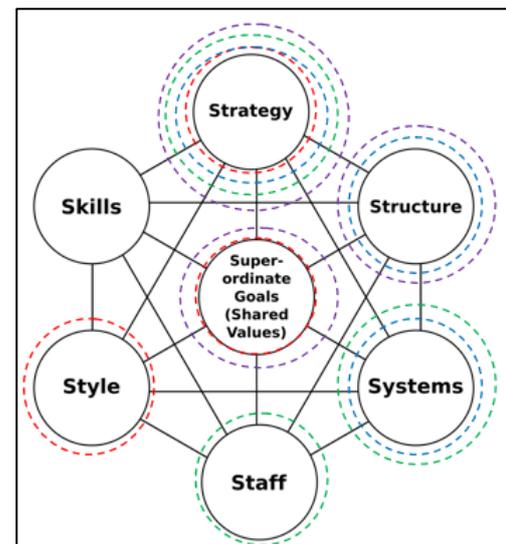
XYZ is in need for an strategically intervention, especially mergers or partnerships with other construction companies, because XYZ believes this is the future way of doing business and at the moment there aren't any fertile partnerships in the industry.

Oticon and GK Printers faced an increase in competitors that adapted technological intervention trends (digitalization) quicker and responded quicker to the changing customer demand. For example: Oticon was specialized in analogue in-ear hearing aid, but the industry moved along with customer demand towards behind the ear digitalized hearing aid. What stood out in this cases were the upcoming trend of digitalization. The usage of digital technology was a clear advantage of modern organizations in comparison towards the traditional organizations

At GM the cause of misalignment was in the high-cost of human resources, the company failed to compete with cheaper producing competitors like Toyota who could afford to pay their employees less.

To conclude about the diagnosed factors that needed change, by the contribution of McKinsey model (Hayes, 2010) it is clear that when one variable in the web changes different elements sequentially change due to their interrelation within the organization. For example: when skills of employees improve, a new strategy could be developed based on those improved skills; or a new working structure could be applied where employees have more responsibility. This is similar to what is seen in the case studies (see figure below), often there are multiple internal change processes leading to an attempt to align the external environment. Strategy, Structure and Systems are the 'hard S' elements of the McKinsey model are according towards my interpretation in this analysis most often used when dealing with transitional and transformational changes.

An explanation for the often use of the hard S elements could be that these elements are influenced in a more direct way from a management perspective, it makes sense that when transitional/ transformational change occurs those are the starting factors. Due to the fact that soft S elements are harder to change and often follow from hard S change.



Red – XYZ - Blue – Oticon - Green - GK Printers - Purple – G.M.

Figure 4 (→): diagnosed need for change based on McKinsey 7S model

3 The final part: ‘implementation’ of the change process

After having diagnosed what internally needs to change and what the need for organizational change is, the final steps could be taken. In the last chapter the type of interventions that the organizations needs to do are categorized and the implementation of the interventions is analyzed. This is similar with the 4th and 5th step of the Hayes model (Figure 2; green circle).

In the previous chapter the internal factors that needed change were analyzed by means of the 7S model of McKinsey. This chapter is split up into two phases, first the type of intervention the organizations planned to do is categorized according to Cummings (2009) four types of intervention. The second part follows-up the categorization of the change interventions while it describes and analyses the implementation of those interventions.

4.2.1 Analysis of implementation XYZ construction (Burnes, 2004)

Planned types of intervention:

Intervention type	Goal description of the intervention (according to the case description)
XYZ construction	
Strategic intervention	develop relationships with suppliers in the industry to outrun the competition
Human process intervention	develop a more cooperative way of working and decision making to achieve organizational goals
Techno structural intervention	change the current division of work between employees into an more teamwork based responsibility

Case description: The change managers transformation of the organization depended on the parallel-activity of two crucial factors:

1. Introduction of new practices and techniques into the organization to provide better service towards the end-customers
2. Change the attitudes and behaviors of the staff

The first change process that was introduced was the Kaizen program in august of 1996, a Japanese technique for achieving small-scale improvements through teamwork (Witzel, 2002). The Kaizen program would show that improvements within the organization could be achieved on a quick low-cost/no-cost basis; it would promote team working; it would give managers confidence to delegate to and empower their staff; and it would allow both staff and managers to acquire new skills.

The managing director realized that changing the traditional company with this program wouldn't be easy. He expected resistance from the managers while the change program changed their old habits and ways of working completely. The managing director really emphasized on the potential of this program and he stayed continuously committed to this plan as it was implemented throughout the organization.

The customer care program was the following change program with the main goal to create a positive view of mind by customers and create a good relationship for potentially joint team working. The Managing Director consistently pursued the vision that teamwork based partnerships were the way to go, despite all the current hostile relationships between suppliers and customers. This strategy was first implemented with a couple of partners and after the success of the strategy was proven more and more customers partnered up and followed the new way of working.

During changes two other projects were launched: Investors in People and the redesigning of the Construction Supervisors' role. Those projects were focused on the development of the human resources of the people employed. For example: lectures about skills, competencies and behavior that were necessary for this new way of working.

By 1999 the organization was more open, efficient and cohesive than before but the organizational structure was still the same as before. This meant that every offices of XYZ construction still had its own functional departments and that those were competing with the HQ, also the structure made it hard to communicate between departments from offices because every department had its own goals and competed against other departments. From this evolved the next phase of changing the organization: organizational structure transformation.

So there was the need for removing functional barriers and the creation of a teamwork based, process-focused organization. XYZ realized that when implementing this kind of structure transforming changes there needed to be a specialist involved that could give consultancy about the way to go because the expertise for this kind of transformations was not in-house. The hired consultant opposed a five step change process towards the future structure 'Team XYZ':

Stage 1 - Change readiness audit : This stage consists the identification of key problems and concerns that needed attention. People here recognized the problems with the old structure, but didn't know what kind of new structure should support the organization. Also the staff was concerned about the loss of status and potential career options when a teamwork based structure was approved (flat structure). Furthermore some people noticed that there was some anxiety for their job security due to the fact that departments would disappear and multi-functional teams were created. Also the interviews did find out that the current change within the organization was reflected as positive and the organization believed in the feasibility of future changes.

Stage 2 - Evaluation and Planning Workshops: The change manager proposed workshops for Senior Management Team and subordinate managers to establish a set of criteria for evaluating alternative structures, identify what alternatives existed, test these against the evaluation criteria, select a preferred structure and develop plans for implementing. A top-down structure was used because the new structure discussion only took place with the Top management.

Stage 3 - Communication: Members of the management teams would inform all areas of the company about the new structure and the impact it had on the specific area. This new structure received lots of questions about specific details of the structure, because this wasn't specified yet. Most employees were positive about the new structure.

Stage 4 - Implementation and team-building: It took three months before the new structure was adjusted throughout the organization without real problematic issues.

Stage 5 - Evaluation: In this stage the change was evaluated to ensure the teamwork-based momentum was sustained and to prevent the staff falling back in the traditional ‘functional’ way of working.

Conclusion(s):

XYZ construction implemented different change programs amongst other Kaizen and Customer Care program that all promoted team-work and cooperation within the organization. The change manager did expect resistance with the implementation of this team-work structure and new ways of management behavior. A lot of power of managers decreased by working in a team also the promotional options depended on how well you functioned in the group and no longer on individual performances.

Although managers started losing power and responsibility they took this for granted, there were no real problematic situations. Due to an open process of change that involved a lot of people directly everyone was aware of the fundamental reason for coming changes. This was topped off by the Managing Director who had a consistent view of the preferred organizational structure and he wouldn’t settle with any less than that visionary state.

By changing the structure first over years, the new culture grew into the company. The organization gradually got ready for a new culture through the changes that had been made over the years. And eventually after a couple of years of implementing change programs XYZ was ready to fully embrace the new culture within the future structure called: Team XYZ.

4.2.2 Analysis of implementation Oticon (Hayes, 2010)

Planned types of intervention:

Intervention type	Goal description of the intervention (according to the case description)
Oticon	
Strategic intervention	develop from a technology-based manufacturing company to a knowledge-based service business to connect to the external environment
Techno structural intervention	re-design jobs into fluid and unique combinations of functions to suit each employee’s needs and capabilities to boost involvement
Human process intervention	develop more informal, face-to-face communication to make better, faster decisions this would replace memos as the acceptable mode of communication

Case description: The implementation of these interventions started after 15 months of preparations and constructions of the new Head Office. The investment in this new HQ was about 45 million euros and was signaled as the start of new beginnings.

When planning the interventions Kolind, the change manager of Oticon, analyzed two key factors that needed to be in place when implementing the intervention successfully:

1. **Human values.** Oticon emphasized that their employees needed to be seen as responsible human beings. This statement resulted in employees that weren't monitored all the time by the management and this resulted in a less structured company where for example working times depended on the time management of the employee without the constraint of regular working times. Another example stated in the case is that employees have the freedom and responsibility to spend organizational budget on the right things and they shouldn't overspend budgets on unnecessary things, but the employees were in the end in full control. So the trust, freedom and the responsibility that the organizations gives based on the human values towards their employees is enormous.
2. **Direction,** Oticon's change manager recognized the need for consensus in determining the future destiny of the company. He thought it was essential to inform employees not only about the strategy and why that strategy was pursued but to get employees fundamentally on board in the change operation and let them see, feel and influence the future direction of Oticon.

Implementation

Oticon works now with a non-prioritized project-based structure, everybody was free to start a project with the permission of one of the five senior managers. More than hundred projects on-going and a lot of secret 'skunk' work evolved without any priority given to the projects. Communication became the core activity of this open-working-style, every desk has a computer where all the on-going project are shown as well as the team involved in that project. There were free desk moving spaces and everything document was online accessible (paperless company), all to promote the ease of communication and cooperation.

At first the employees had difficulty with the revolutionary new way of working together also some people within Oticon weren't recruited in the first place for their team working abilities or project based working skills. In addition the loss of routine and authority relationships wasn't liked on forehand by most managers in the company, due to the fact of working in equal authority groups they immediately lost all their authority, their status symbols and their power base.

Furthermore the former managers became now project leaders and this project leader function required the skill to collect your best possible group members. But on the other hand there were other project leaders competing to get the best possible groups as well, some managers weren't used to this kind of competition and were used to having their own dedicated subordinates.

Kolind did expect resistance towards the new strategy and anticipated this by involving the staff in the planning process towards the new structure of the organization to prevent this resistance. Kolind also recognized that the new strategy was highly depended on functioning of the computerized systems and so the abilities of employees working with those systems, so Oticon provided IT lessons for using the computers properly.

Although the solutions Oticon has given employees to overcome resistance and the lack of ICT skills Kolind found it needed to set an ultimatum towards the employees: accept the current way of working or leave the company.

The new strategy paid off late 1991 Oticon had the first automatic, self-adjusting hearing-aid in de industry. In the old operation system this 'project' was given a very low priority, due to different

factors: lack of communications between functional departments, lack of imagination and some technological barriers. Amongst other the new way of communicating and working together solved the priority issue and the combination of employees saw the potential of the product. Soon the technical barriers disappeared and quickly after re-designing the product, the product was launched.

In 1994 the success was noticeable, 15 new products had been launched (two times more than within the old system), product lead time (time between initiation idea and execution) had been halved, company sales grew (+20% per year) in comparison towards the previous situation with an average decline of sales (-5% per year).

Fallback

Oticon had at that time one of their most profitable products: DigiFocus hearing aid. This product further increased sales and profit, but the project-teams that worked prolonged on the launch and development of this products seemed to form a kind of permanence in the team, just like the traditional organization was structured in the past.

Kolind recognized this fallback in working and responded immediately: *'To keep a company alive, one of the jobs of top management is to keep it disorganized.'* So he did, Kolind *'exploded'* the organization and moved every desk in the organization to disorganize the organization once again. This was where Kolind believed the organization has made a difference in the past and should make a difference in the future again.

Conclusion(s):

When changing the organization Kolind had two fundamental principles. First, human values: seeing employees as responsible agents who could handle work-related freedom and responsibility without being monitored all the time. Second, creating strategy bottom-up and finding support for the strategy from every employee. Every employee should feel involved and concerned before the process of change takes place.

The new not prioritized project-based way of working resulted in a revolutionary change within the organization. The resistance with this strategy mainly consisted of the loss of authority, status and routine of the managers created by this non-hierarchical way of working. The computerized systems that were an important part of the change gave less resistance, those were consulted in advance and after the implementation by IT training from a 3rd party, so the possible resistance and difficulties with the new systems was recognized before it was implemented and taken care of.

What was remarkable about Kolind is that, despite the attempts to involve and actively participate the employees in the whole change process, at the end Kolind set a hard deadline: either accept the new way or leave the organization.

This showed the consistent vision of Kolind, he wouldn't change the principles of the change process. This consistency is shown once again when the organization did successfully launch of a bunch of products and project groups were becoming more permanent instead of disorganized. Kolind recognized this and despite the success he decided to *'explode'* the organization and tried to disorganize the organization again by a physical movement in the office of working desks. He hold on and still believed in the vision that was been set years ago.

4.2.3 Analysis of implementation GK Printers (Hayes, 2010)

Planned types of intervention:

Intervention type	Goal description of the intervention (according to the case description)
GK Printers	
Strategic intervention	develop a new business model that suits the external environment
Human resource intervention	Appoint or select a marketing manager

Case description: GK Printers had in total three ‘phases’ of changes: strategy, reshaping strategy and attitude change.

GK Printers, first ‘phase’ of change, started with the appointment of a Marketing and Design Manager with the main goal to upgrade the organization’s image. Initially no new printing equipment was bought and the additional demand that exceeded current capacity got sub-contracted instead of declined. In this way the capital involved on initial change phase was relatively low in comparison with the alternative of purchasing of new printing equipment.

With the appointment of the Marketing and Design Manager the results within 12 months were positive. The company’s image and designing abilities increased tremendously. The company began buying new equipment because they were now financially more able due to success in the previous year. The late 80’s for GK Printers were successful amongst other due to the new equipment, strategy and economic growth, the organization doubled its staff and quadrupled its turnover (4 million €).

The enormous growth that GK was facing in the previous years caused the occurrence for new problems. The main problems of GK were related to growth: controlling paperwork (especially orders and invoices), the company’s costing system and the effectiveness of production scheduling. GK Printers decided not to invest along with the growth anymore for the moment, so the Staff of GK Printers were being asked to do more and more without any additional resources. This caused GK Printers backlogs, but also a growing lack of communication between functions because people were too individualistically working on their own tasks due to time limitations and high, output focused working pressure. After some time GK printers recognized this movement and decided to solve the problem by recruiting more staff for designing to avoid the backlogs and decided to purchase new organizational systems to conveniently track orders and process invoices more efficient.

When GK Printers was deciding what kind of systems to use, the organisation decided that the systems should match the conditions set-up by all (6) employees. Responsibility for buying and deciding was in the hands of the employees, so the staff wrote the managing director a well-considered proposal for their favoured system and he approved it.

This whole process of raising the question for change in systems and ordering the computer based system (CBS) took about 12 months. Making the system function in full capacity and aligning it with

the organisation took another 12 months (including training staff in using the system). But despite the relatively long implementation time the managing director of Oticon (no name mentioned) said finally: *'We have ended-up with a system that gives us all we want – and more ... it's a system that belongs to the people who work it – it's not my system, it's theirs.'* Once again is shown how the responsibility of decision making is given towards the employees of GK Printers.

This CBS system automated elements of the traditional way of working, so it allowed employees to put their expertise in to better use. The believe in the CBS and the system itself resulted in increasing effectiveness, better self-esteem and morale within the organization.

The managing director didn't make the buying decision because he believed he didn't have the fitting solution and an employee who is an expert in the field does probably have a better solution. This critical view on himself reflected on the organisation-wide by the willingness to be open and critical about themselves and their requirements and the fundamental belief that they all needed to be convinced of what was required before proceeding.

Fall-back

In the beginning of 1994 GK loses a lot of business, mainly due output focused behaviour of the managing director, increased competition and cost-cutting of their customers through an upcoming financial recession. This resulted in decreasing volume of sales again, less profit and the loss of business. The organisation was struggling between a cost-cutting strategy or differentiation strategy (high quality, high prices).

Within the organization there were different opinions especially between the Printing Manager and the Marketing and Design Manager. The Managing Director style of management at this time wasn't appreciated at all. The style the Managing Director used for making business decisions was falling back towards the traditional way of making business decisions; only contacting the person(s) who he thought were involved by the decisions made. This style created distrust in the way of managing and the managing director was accused of 'favouritism' of some people in the organizations where he often made decisions with.

The initial strength of the GK Printers was the alignment in supporting the organizational decisions unanimously in the first and second phase of change, now this alignment wasn't there anymore.

The Managing Director was shocked of the accusations and misalignment of its staff and made use of a team manager that helped with working out and analysing the evolved problems together. The result of this meeting was that:

- GK should meet with its main customers to identify what their needs were and discuss how these could be met in the best possible way.
- The company's CBS was much more efficient than the previous manual system, but all orders, large or small, urgent and non-urgent, were dealt with in the same manner and at the same speed. The same applied to design: though the actual design time varied between orders, they were all scheduled and dealt with in the same fashion. Conclusion was that the entire process from order intake to dispatch be examined, with the intention of either reducing it for all orders, or possibly shortening it for specific categories of orders.

These results were carried out by two groups consisting of a combination of managers and employees from the areas involved, so everyone in the organisation was represented again. The

organization reached together again an agreement on the way forward which they all accepted and supported.

Conclusion(s):

GK Printers had in total three phases of changes: strategy, reshaping strategy and attitude change.

The first two phases regarding to strategy succeeded amongst other due to the unanimity consensus of the employees on the strategy pursued and on the devolvement of decision-making. The Marketing and Design Manager clearly showed results of success and was adapted by organization. Also throughout the whole organization the decision to use specific computerized system was carried, unlike the old situation were the Managing Director made all the buying decisions with less consultancy of the employees.

The implementation of the system was successful and the success continued, the sales volume increased and the focus of the company unconsciously shifted from improving the current strategies and supporting organization cooperation towards an output-focused and individualization of work focus. A clear fall-back was experienced and operations fell back to the old organizational way of operating.

Sustaining the new cooperative working and deciding culture was harder, especially when the Managing Director fell back into his old behaviour of non-cooperation and selective communication about decision making when the company was functioning in high-demand situations. This became a problem when the demand for printing lowered and competition increased. The staff accused the manager of ‘favourism’ and amongst the staff there was growing tension and individualisation between functions.

The third phase consisted of more an attitude change in managerial behaviour by aligning the organizations staff and strategy by having meetings about strategy together by a change consultant.

4.2.4 Analysis of implementation General Motors (Kahn, 2014)

Intervention type	Goal description of the intervention (according to the case description)
General Motors	
Strategic intervention	start cost-cutting strategy to survive in the external environment
Human resource intervention	make a selection of the current personal that still fits the organization after cust-cutting

Case description: General Motors implemented two interventions: a strategic intervention and a human resource intervention.

By cost-cutting strategic intervention General Motors neglected their agreements with the Trade Union and lowered the wage of their employees also lowered their capacity. General Motors had an agreement about the standardized wage level and the minimal capacity level that the plant of GM should function on. This caused legal problems for General Motors when implementing the

intervention. The number of personnel reduced from 226.000 in 1998 to 101.000 in 2009, that saved a lot of costs.

The cultural plan that General Motors wanted to implement was mainly decided from a top-down structure, so the management team didn't communicate to their subordinates about the intervention until the implementation. In this case this top-down determining of culture was seen a problematic for the implementation of the intervention, while it came as a surprise to a lot of employees.

By changing the cultural General Motor had achieved results and the employees were becoming aware about their responsibility and accountability. As well as the company also empowered the employees to produce more efficient and boost their productivity.

Conclusion(s) General Motors:

Implementing the strategy of cost-cutting via adjusting the standardized wage level caused legal problems, however the number of personnel decreased instantly and saved costs.

The cultural change succeeded, on a management level, people felt more responsible and accountable for the decisions made.

General Motors implemented the two strategies and as a result developed its competitive position again resulting in more market share development in North-America. Also General Motors was able to maintain the brand of core products they delivered.

Notable is that the combinations in the analysed cases are in all cases related to a strategic intervention. This could be explained due to the big importance of the element strategy in organisational change, this importance is also shown in previous used model of McKinsey where in all cases strategy was involved. Also the fact that every organizational change involves multiple interventions to achieve the organizational change is remarkable. How the goals of these interventions were achieved is shown per case in the 'analysis of the implementation' below.

5 Conclusion

After running through all the steps of the process of change of Hayes, covered in the ‘preparation’ chapter 3 and the ‘intervention’ chapter 4, conclusions could be derived.

Preparation

All the cases dealt with a mismatch between the organization and the external environment resulting in increased competition, prioritized as the most important external, economic environment threat. This is a clearly analyzed factor that forms a pattern of the starting point of change of organizations in the late-maturity stage of business. However the cause for misalignment with the external environment differs between cases.

When diagnosing the factors that needed change the McKinsey 7S model is used, as expected according to there was a clear inter-relation of factors that needed change within organizations. The pattern that is seen in the analysis shows that the ‘hard S’ elements (strategy, structure and systems) of McKinsey model are most often diagnosed as factors that needed change, the other ‘soft S’ factors (skills, style, staff and culture) are mentioned less often. This is probably due to the fact that the ‘soft S’ elements can’t be changed directly and develop overtime in contrast to the hard S elements that could be changed directly.

‘the importance of the element strategy in managing organisational change’

In all cases a there seems to be a pattern in the type of interventions needed for the transformational change. The combination of a strategic intervention combined with another intervention type (human resource, human process or techno-structural) intervention is shown in all cases. This could be explained due the importance of the element strategy in managing organisational change, also shown in previous used model of McKinsey where in all cases strategy was analysed as a factor that needed change.

Organization	Intervention 1	Intervention 2	Intervention 3
XYZ construction	Strategic	Human process	Techno structural
Oticon	Strategic	Human process	Techno structural
GK Printers	Strategic	Human Resource	X
General Motors	Strategic	Human resource	X

Table 2: visualisation change interventions per case

The intervention

What was remarkable consistent across cases was that the change process always started with an outstanding event people could clearly recall to as the start of change interventions:

‘the change process always started with an outstanding event people could clearly recall’

- The new appointment of Marketing & Design , case: GK Printers
- A new Head Quarters that integrated two separate buildings, case: Oticon
- A new organizational structure name: TEAM XYZ, case: XYZ construction

In the case of implementing a human process intervention at Oticon and XYZ construction often there were, next to organizational structure changes, also managers and employee attitude changes needed. This needs were solved by giving employees consultancy on how to change their behavior by a 3rd party or a special program.

In the case of Oticon as well as GK printers there was a fallback noticeable after noticeable success of the implementation in the first case. Important in the recovery of the feedback the consistence and dedication of the change leader vision, the fallback was anticipated by consistent vision of change leader and was successful and turned the organization around again.

To summarize, there is a pattern visible in managing change to break the business life cycle in a late maturity stage, but the context where the organizations act in demands for a tailormade combination of a strategic intervention combined with another type of (Cummings) intervention.

“expecting resistance and anticipating on this expected resistance”

Preparation is essential in all of the cases, especially expecting resistance and anticipating on this expected resistance before the intervention is implemented helps interventions to succeed and implement with less resistance. For example the preparation phase Oticon stood out. Before change interventions were implemented the possible outcomes of those interventions were already discussed and problems with implementation were already, if possible, prevented. In the case of Oticon: the lack of computer abilities of the employees. This was on forehand overcome by training and workshops about ICT skills.

Also involving employees into the decision-making and planning process seemed to boost the adaption of the chosen organizational change strategy among the employees. The GK printing case supports this conclusion while employees were actively involved in the buying decision of a new printing system resulting in a system that was custom-made for the organization and a system that belonged to the employees which gave them great energy to work harder and stay motivated. So empowering your staff to make decisions and involve them in the change process could be essential and is widely used throughout the cases when managing change. This analysis supports the work of Lewin (1947) where he mentioned that ‘involving people’ contributed to strategic change.

“involving employees into the decision-making and planning process”

“the leadership role is essential to pursue the initial strategy again”

When a fallback happens during implementing an intervention the leadership role is essential to pursue the initial strategy again, this strong role is seen in the Oticon case where the leader of change recognized a fallback in working and he responded immediately. Despite the success of the organization with the implementation of the interventions the change leader remained his vision and decided to follow that vision independent of the successes in between.

A consistent, bottom-up determined, vision and a leader that persists on this vision is a strength when sustaining this intervention. Consistency after implementation and during a fallback will result finally in successfully breaking the business life cycle.

6 Discussion

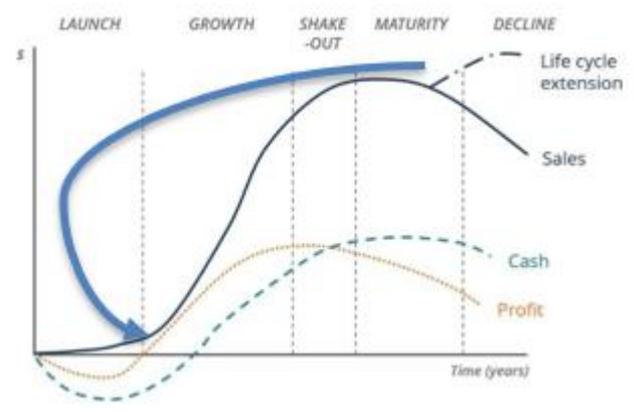
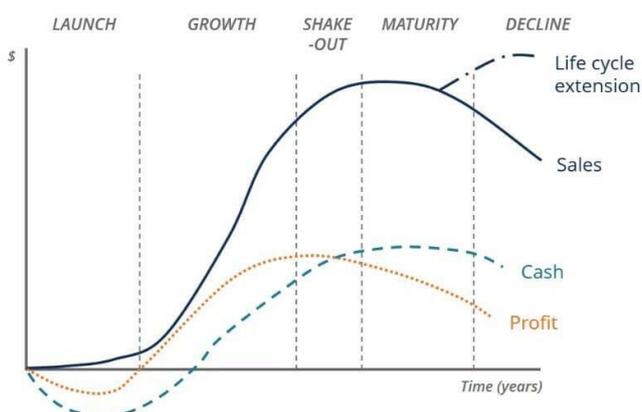
Secondary data analysis

In the research method the multiple case design was chosen. This Multiple Case study design has some disadvantages which will be addressed now. Two of the three cases described and analyzed in this paper are published and written for the book of Burnes (the other case is analyzed in a scientific paper). Burnes described the cases through his own vision on change and with his own perception. This influences the objectivity of the analyzed 'facts' mentioned in the cases and there is no knowledge of other facts that may occurred that are not described in the case. So the problem with multiple case design studies is that when you use secondary data analysis you build assumptions on the interpretation and information that the original author of the case description has given which could weaken the validity of the research. In my thesis the secondary data analysis could lead towards patterns that are based on the dataset of Burnes and Kahn (case writers), this could have a big influence on the end-results in my conclusion. While the information gap of not knowing if the case writers let away important details in their datasets that weren't useful for their research, but are useful for my thesis, forms the basis for this weakness of secondary data. An recommendation for further research will be to support the conclusions with different data and datasets from the mentioned organizations.

Evaluation business lifecycle model

The business lifecycle theory, build up in the five stages, states that all organizations will develop until the last, decline stage, of business. Where some organizations end-up in the decline stage, other organizations succeed and are able to 'break' the business life cycle and remain stable or grow bigger. In the current business life cycle model, this phenomena isn't possible while the stages follow each other in the determined order. Process models are still relevant nowadays and often based on the foundations of Lewin's 3-step model, but the business life cycle model is incomplete. That's why I suggest an adjustment of the model over ignoring the life cycle model.

Suggested adjustment (Figure 3): an extra loop should be added from the late maturity stage of



business towards the second stage: growth.

With this adjustment there is an theoretical opportunity in the model for organizations that are in a late-maturity stage of business to move towards 'growth' again instead of automatically ending up in the decline stage as the current model suggests.

Figure 2: Traditional business life cycle model

Figure 3: Suggested adjustment life cycle model

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