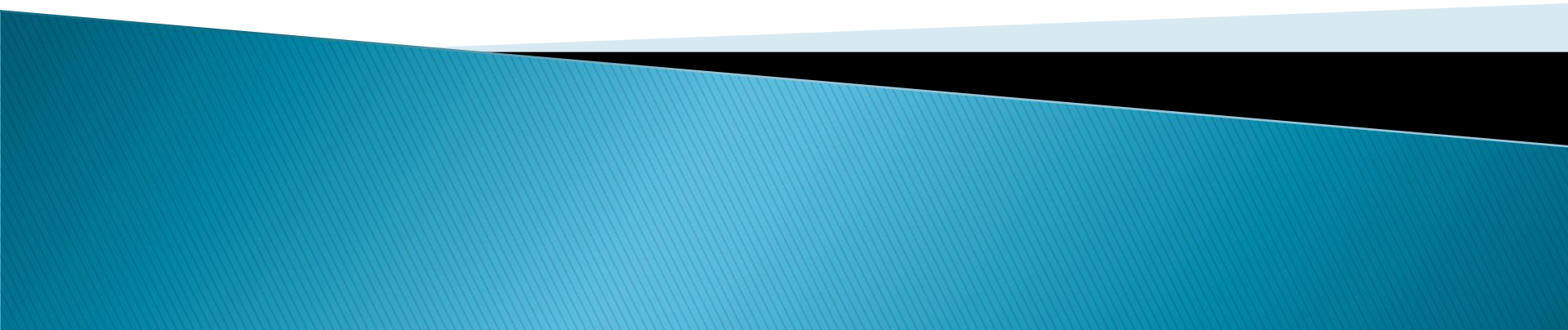



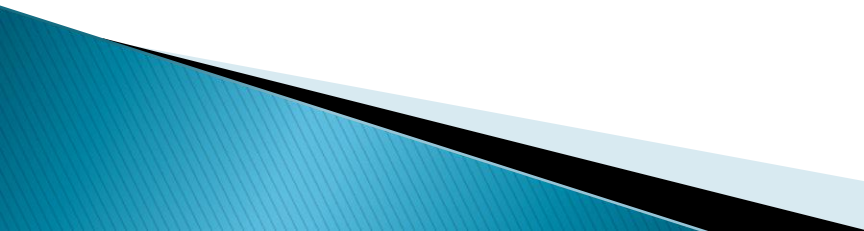
# 13.5 Management of Change




# External factors which produce change include:

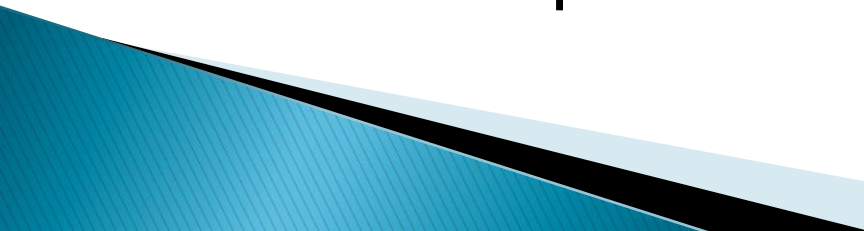
- ▶ Economic: Interest rates, Currency changes, import export sales.
  - ▶ Social: Fashion. Socially desirable?
  - ▶ Legislation: Terms & conditions of employment. Laws.
  - ▶ Stockholders
  - ▶ Competitors: Provide similar product at lower cost. Introduce new product.
  - ▶ Financial: Ability to borrow money. Interest rates.
  - ▶ Government: Policy.
- 

# Change normally occurs in 3 distinct phases

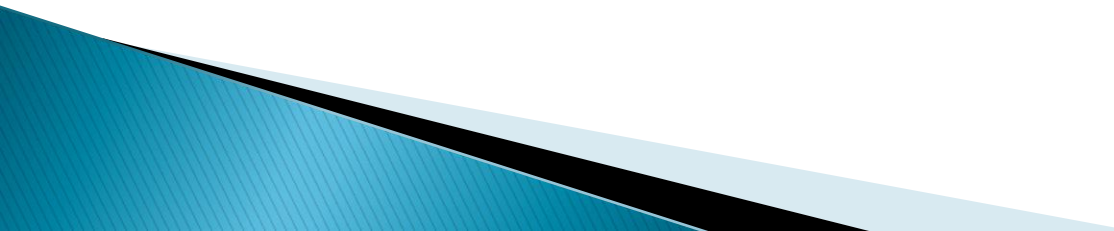
1. Recognition of the need for change – an acceptance that change is necessary.
  2. Make the necessary change.
  3. Integration of the changed system. At this point the new system is seen as the normal way of doing things.
- 

- ▶ If an employee cannot see the need for change, or, cannot integrate the change into their normal working practice, the new system will fail. It is important for all employees to go through the 3 points above.
  - ▶ There will always be resistance to change because most people like a settled working environment. Any change represents the unknown, hence uncertainty.
  - ▶ Change must be properly managed so that concerns don't lead to a situation that prevents the successful operation of the new system.
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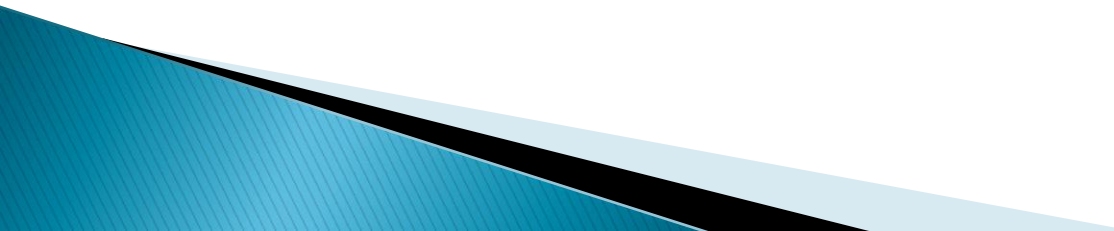
# Objectives

- ▶ Understand that the introduction or development of an information system will result in change which must be managed.
  - ▶ Changes could occur in relation to;
    - ❖ re-skilling
    - ❖ attitude
    - ❖ organisational structure
    - ❖ employment pattern and conditions
    - ❖ internal procedures
- 

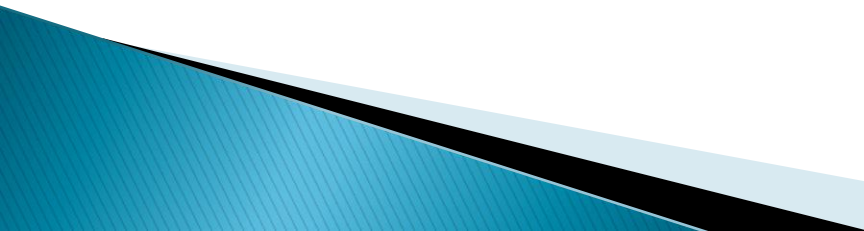
# Change

- ▶ The introduction of new systems will probably cause a change in working practice.
  - ▶ Managers involved in the development need to be skilled in the changeover to gain the co-operation of staff.
  - ▶ Many people are resistant to change as they may have seen redundancies in the past due to computerisation.
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# Fear of Redundancy

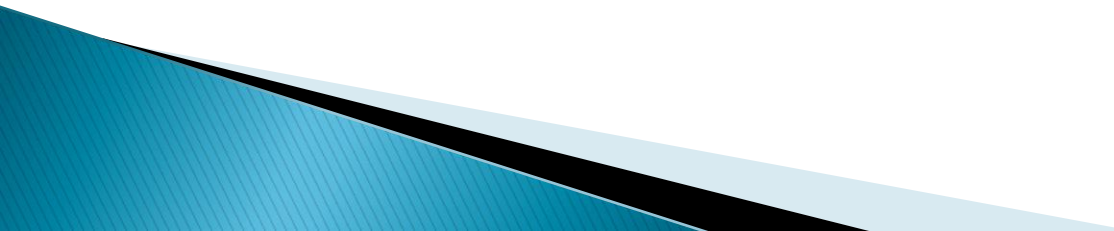
- ▶ A new system may be introduced to cut staff and reduce the wages bill.
  - ▶ There may be particular problems with unions and militancy, and a new system is an opportunity to replace problem workers.
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# Fear of Reduction in Status

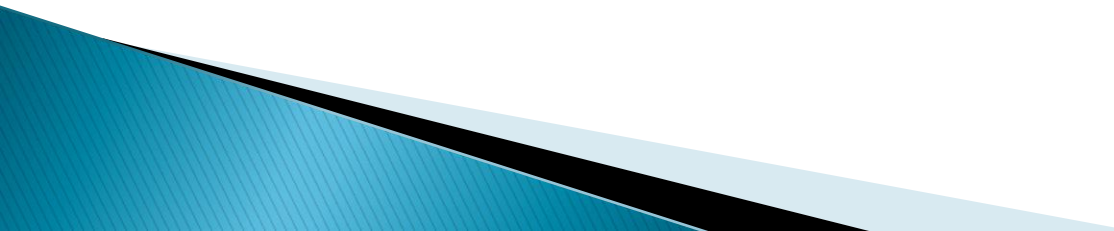
- ▶ With MIS higher management can get more work done without the need for some middle or junior managers.
  - ▶ Career prospects. – Opportunity for promotion reduced. Information handling tasks performed by middle managers can be performed by lower grade workers.
  - ▶ Work may be monitored by computers, and used as evidence of slow or inefficient work practice.
- 



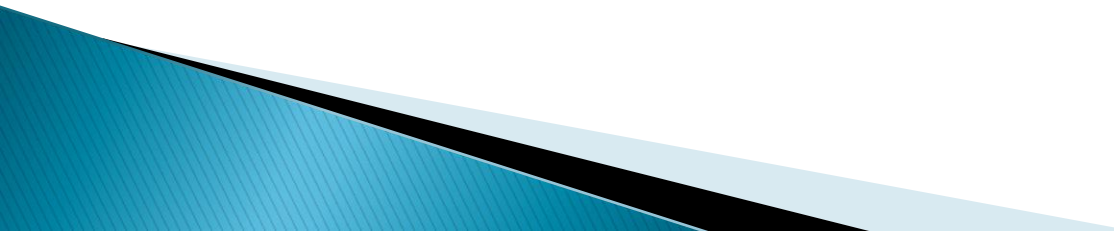
# Fear of Ridicule

- ▶ Some staff, especially older staff may lack sufficient prior knowledge of IT.
  - ▶ May be looked on as less intelligent by younger members of staff.
- 


# Health Fears

- ▶ It is well advertised about the adverse effects of using ICT equipment, to grab headlines they can be quite alarmist.
  - ▶ Radiation from monitors are a major concern to e.g. pregnant women.
  - ▶ Managers involved in the change of working practise need to alleviate these concerns from staff.
- 


# Changes to Structure

- ▶ With the introduction of a new system it is often an opportunity to change the structure of the organisation.
  - ▶ Staff may end up with more work, or more tasks to complete, i.e. a customer placing an order may also request an account balance.
  - ▶ This may previously have been done by two different departments.
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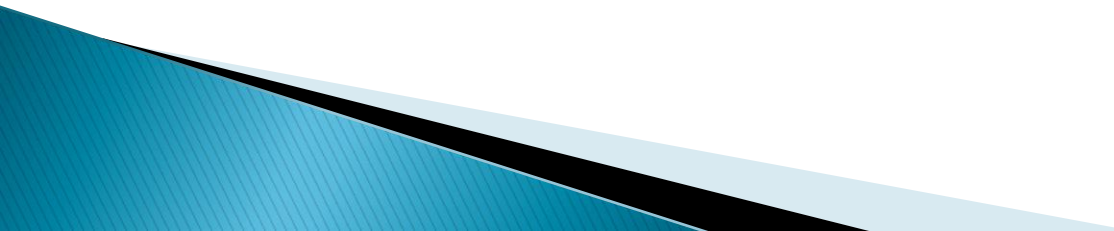
# Changes to Internal Procedures

- ▶ Staff may take on more responsibility and take on a wider range of tasks due to the introduction of a new system.
  - ▶ The traditional job will take less time so newer responsibilities will be undertaken.
  - ▶ Ways of doing things will be different as the new system does not fit around the old ways of working.
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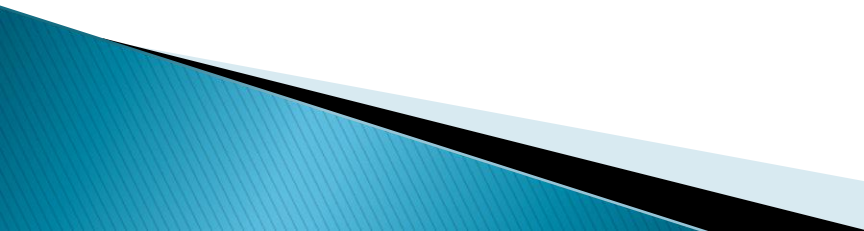
# Changes to Employment Patterns

- ▶ An IT system will tend to be approaching a paperless system.
  - ▶ Space requirements may be less, the organisation may move to smaller premises, or move away to a newer more suitable location.
  - ▶ Staff need to be kept informed of proposed changes.
  - ▶ Staff may be able to work from home for some tasks.
  - ▶ The skilled staff in the organisation are increased at the expense of the lesser skilled staff.
- 

# Changes to the Condition of Employment

- ▶ In the modern world of 'Global networks' some organisations run 24 hours a day.
  - ▶ The times for working become flexible enabling more part-time and out of hours working.
  - ▶ Restrictions are place on the use of the IT system, unauthorised use of e-mail, software, floppy disk use. This is mainly to protect the data and to ensure security from viruses etc.
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# Resistance to new IT Systems

- ▶ Fear of job loss.
  - ▶ Fear of worsening conditions.
  - ▶ Consequences leading to low morale and poor co-operation by staff.
  - ▶ Managers need to identify these fears and take appropriate steps to reassure staff.
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# Measures

- ▶ Staff should be involved in the introduction of the new system with genuine input. Allow them to raise problems, make suggestions. This will make them feel ownership of the new system.
  - ▶ Learning process made simpler, and comprehensive training offered, in suitable surroundings that builds confidence in using the new system.
  - ▶ Advantages that the new system offers should be explained, including how it improves job satisfaction, improves skills, and improves promotion prospects.
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