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Article

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Change Management Models: Commonalities and Key Challenges in the Industry

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Abstract

It can be argued that managing change is crucial for any organisation to survive and succeed in the present highly competitive and continuously evolving business environment. However, theories and approaches to change management currently available to academics and practitioners are often contradictory, mostly lacking empirical evidence and supported by unchallenged hypotheses concerning the nature of contemporary organisational change management. This paper seeks to understand the key challenges faced when implementing change management projects in the industry, especially in aerospace, and the commonalities across existing change management methodologies. The paper describes results from interviews with industry experts and the literature review to provide a discerning sight of the challenges faced when implementing change management projects and the components shared by the available methodologies.

Keywords: Change; Management; Organisation; Model.

JEL classification: M00

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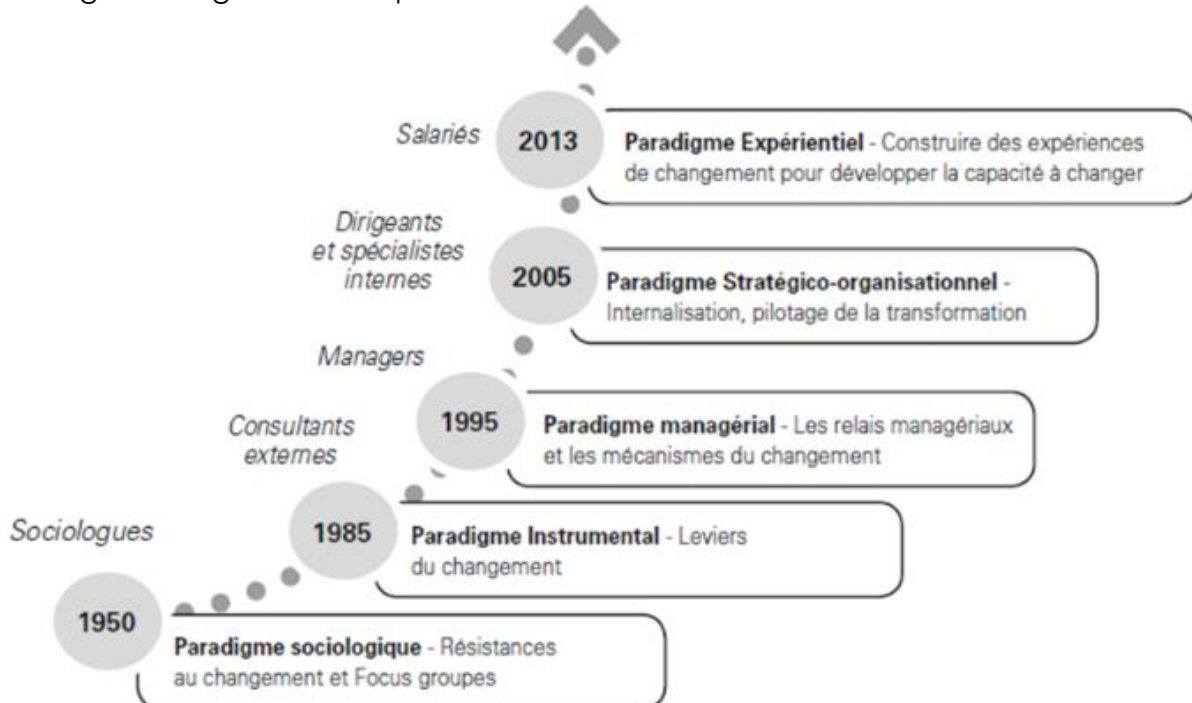
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Background

Change management is ‘the process of continually renewing an organization’s direction, structure, and capabilities to serve the ever-changing needs of external and internal customers’ (Moran et al., 2001). According to Burnes (Burnes and Bernard, 2004), change is an ever-present feature of organisational life, both at an operational and strategic level. Therefore, there should be no doubt regarding the importance to any organisation of its ability to identify where it needs to be in the future and how to manage the changes required to get there. Consequently, organisational change cannot be separated from organisational strategy or vice versa (Rieley et al., 2001).

Over the past decades, change management has become a common practice in most organisations due to the increasing role of change and stakeholder expectations (Autissier et al., 2015).

Figure 1
Change management discipline evolution



Source: Autissier et al., 2015

It is no longer possible to talk about change from state A to state B. The ordinary situation of the organization becomes one of movement, and change is permanent. This evolution can be represented by a historical evolution of paradigms, as shown in Figure 1.

Currently, several change management methodologies can be found with origins both in industry and in academia (Galli, 2018), in many cases developed with specific aims and fields of application, such as Enterprise Resource Planning (ERP) software tools (Kulkarni, 2019). Furthermore, critical reviews (By, 2005) and implementation guidelines (Cameron and Green, 2019) can be found in the existing literature. However, a study of the challenges changes management practitioners face in the industry would provide additional value.

Research Methodology

The research methodology involved three main phases, as illustrated in Figure 2. The initial phase focused on a literature review within the field of change management. Thanks to this analysis of the state-of-the-art, a starting point in the research was established. At the same time, a set of face-to-face semi-formal interviews was performed with industry experts. The questions and the topics approached in those meetings aligned with the knowledge obtained from the literature review. These interviews aimed to get an insight into how change management is addressed in the industry and the present challenges, being able to contrast this information with the literature available. The profile of the industry participants was as diverse as possible, coming from varied educational backgrounds and with different ages. This was intended to gather information from different points of view. There were 13 interviews, the duration between 20 and 60 minutes, depending on the participants and their knowledge. The iteration between literature research and industry interviews helped to provide a clear view of the current landscape regarding change management.

Figure 2
Research methodology structure



Source: Author's work

The second phase involved identifying the key challenges in change management, derived from the literature review and the interviews, and identifying common phases/components between change management methodologies based on previous research and valuable information gathered from industry experts.

The third and final phase concerned the creation of a set of conclusions regarding the exploratory nature of the work conducted, as well as possible suggestions for the next steps in the research.

Change Management Models: Key Challenges

For this paper, different industry and related service participants have been interviewed. The profile of the participants involved can be seen in Table 1. Questions were asked to find out their understanding of the following:

- Vision and opinion of the field of change management in the industry
- Major methodologies used in the field of change management, together with personal experience
- Differences between major methodologies
- Harder and easier points to deal with within each methodology of change management
- Experiences of both success and failure with change management projects and the reasons behind

Table 1

Relationship between Region and Business Performance

Participants	Change Experience	Management Role
Participant 1	10 years	Senior Consultant
Participant 2	10 years	Senior Manager
Participant 3	3 years	Change Management Consultant
Participant 4	3 years	Communication Consultant
Participant 5	3 years	R&D Director
Participant 6	8 years	SME Director
Participant 7	5 years	HR Manager
Participant 8	8 years	Freelance Consultant
Participant 9	20 years	HR Director
Participant 10	10 years	Business Analyst

Source: Author's work

The answers obtained were compared with the available literature to identify the industry's main change management challenges. For that purpose, early research and findings in the available literature were contrasted with specific examples from the participants. As a result of this iterative exercise, eight main challenges were identified.

- Difficulty in project decomposition into workable packages
- Proper stakeholder mapping
- Misalignment of the organisation's leadership
- Lacklustre interpretation of the change management methodology
- The culture clash between stakeholders
- The human tendency to distrust change
- The diffuse frontier between project management and change management under the name "agile."
- Lack of proper change management methodology

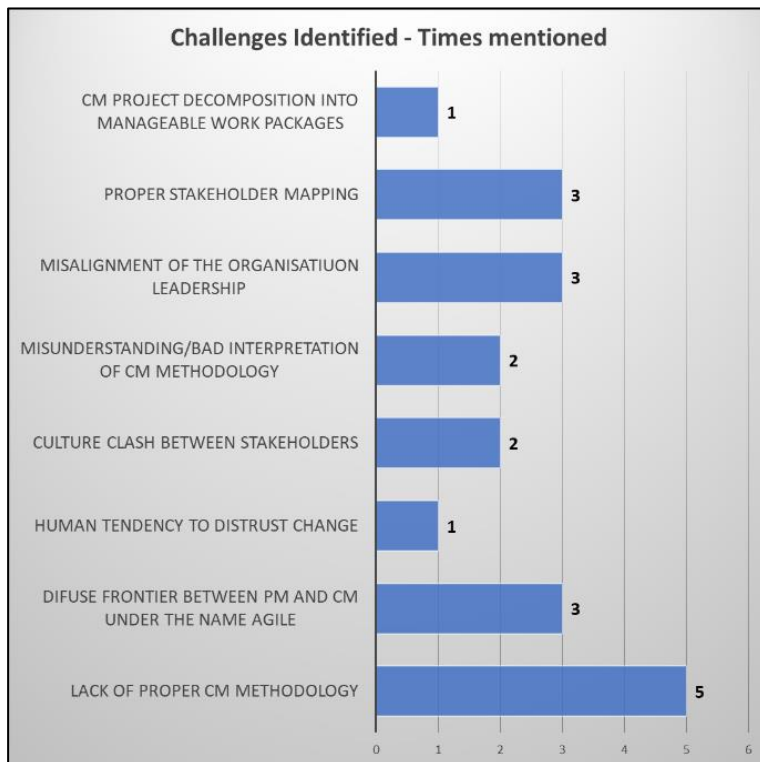
Furthermore, using the information gathered during the interviews, a ranking was established based on how many times each challenge was mentioned by the participants, shown in Figure 3.

By far, the most common challenge identified was the undertaking of change management projects without a formal decision of which methodology to use, relying on previous experiences in past projects and improvisation. Conversations with the participants did reveal that it was quite a common practice not to use formal change management methodologies when conducting change management projects. It remains unclear how this lack of formal methodology impacted the project's progress.

The participants' second by order of importance would be the proper stakeholder management, the misalignment of the organisation leadership, and the diffuse frontier between project management and change management under the name of "agile", all sharing the same score. Particularly, the first and the second are quite connected, while the third has been an increasing concern as the methodology "agile" has been becoming more mainstream across the industry.

Figure 3

Number of participants that mentioned each identified challenge



Source: Author's work

The third, by order of importance, would be a wrong interpretation of change management methodology and culture clash among stakeholders. The latter is a significant challenge in projects involving teams from different countries. Finally, the less-mentioned challenges were the project decomposition into manageable work packages and the human tendency to distrust change.

These results firstly reinforce the idea that there is a lack of formal methodologies currently being applied in the field of change management in the industry. From this absence, some of the other challenges identified could be, if not completely, at least partially derived from. Particularly, the challenges related to culture and distrust of change could be, at best, partially mitigated, as they are firmly rooted in human nature.

Change Management Models: Existing Commonalities

In the initial research previous to the interviews with the participants, several change management methodologies were selected based on the existing literature, both academic and from industry, and discussions with change management practitioners. The selected methodologies were the following ones:

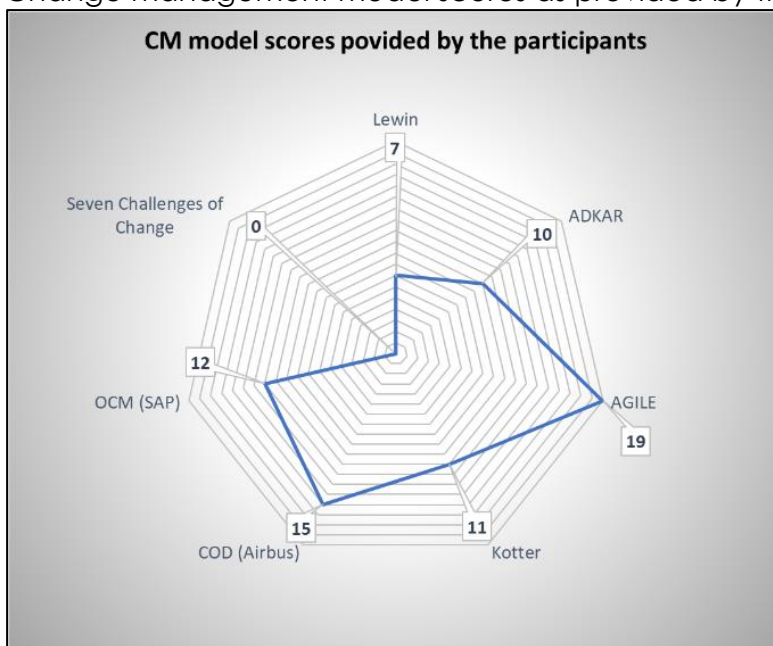
- ADKAR
- Seven Challenges of Change
- COD (Airbus)
- AGILE (CM)
- OCM (SAP)
- Lewin Change Management Model
- 8-Step Process for Leading Change
- Lack of proper change management methodology

These models were selected based on their origins, trying to aim for a good mix of generalist models with a wide target audience and in-house developed methodologies such as COD (developed within Airbus), veteran methodologies such as the ones of Lewin and Kotter, and new ones such as ADKAR, and finally, methodologies that had been validated by the academy such as ADKAR and methodologies that had just been used/validated by industry, such as the Seven Challenges of Change.

During the interviews, the participants were asked to provide a score from 0 to 5, based on how well acquainted they were with each of the eight models selected, with the aim of understanding which was the most popular model among industry practitioners. The results of this process are presented in Figure 4.

Figure 4

Change management model scores as provided by the participants



Source: Author's work

As observed above, the change management methodology to which participants were more attuned seemed to be AGILE. However, as explained earlier, one of the key challenges identified during the interviews conducted with change management practitioners was the lack of a clear distinction between Agile as a project management methodology and Agile as a change management methodology; hence this first result needs to be taken into consideration under this existing situation. In the second and third positions, the participants recognised COD and OCM methodologies from Airbus and SAP, respectively, as the most popular, being these models developed in-house by each organisation without clear academic validation. The following methodologies, Kotter, ADKAR, and Lewin, have academic validation, being fourth, fifth and sixth accordingly. Last, there were the Seven Challenges of Change, which did not get any recognition from the participants interviewed. It is remarkable in the view of the researcher how the most recognised methodologies for change management are methodologies without clear academic validation, supporting the idea that the latest developments in the field of change management have been driven by industry rather than the academic community.

Lastly, the eight selected models were compared to identify the common components shared across all change management methodologies. For this purpose, three main stages in the implementation of the change management model have been identified thanks to the study of the literature and the inputs of industry practitioners, namely “Awareness/Planning”, “Change Implementation,” and “Tracking/Monitoring”. The stages of each of the eight methodologies were classified within these three distinct phases, as shown in Table 2.

Table 2

Change management model commonalities identified

Models	Awareness / Planning	CHANGE implementation	Tracking /Monitoring
ADKAR	Awareness + Desire	Knowledge + Ability	Reinforcement
Seven Challenges of Change	Activating awareness + Engaging change leaders + Creating and sharing possibilities	Stepping into a new shared vision + Empowering visible action + Integrating systemic change	Sustaining long term
COD (Airbus)	Preparation	Deployment	Monitoring
AGILE (CM)	Define	Experiment	Anchor
OCM (SAP)	Define + Design	Develop + Deploy	X
Lewin Change Management Model	Unfreeze	CHANGE implementation	Refreeze
8-Step Process for Leading Change (Kotter)	Create a sense of urgency + Build a strong coalition + Form a strategic vision and initiatives + Enlist a volunteer army	Enable action by removing barriers + Generating short-time wins + Sustain acceleration	Institute change

Source: Author’s work

As it can be observed, the only methodology that does not fit into the three identified change management stages is OCM (SAP) due to the particularities of the aim for which it was developed, mainly the deployment of SAP products, especially ERPs. Nevertheless, this showcases the underlying similarities between the selected change management methodologies in the sample, independently of the source of origin (industry or academia) or age. Hence, even with their particularities, most of these models will cover several predetermined stages related to any change process, independently of the nature of the project being the object of analysis.

Conclusions

Change management is a discipline that has been increasingly important for the industry in the last decade, with organisations looking to improve and optimise how they implement changes and react to change.

In the present paper, a set of key challenges when implementing change management projects has been presented. Additionally, a sample of change management methodologies has been scored by order of popularity and compared. Hence, the key results are:

- Main key challenges of change management projects in the industry
- Change management methodologies scoring and commonalities

These results will help industry and academia understand the particularities of change management projects within the industry, providing a starting point to identify and establish key commonalities that any change management model needs to have.

Future research should involve further exploration of the components that determine a wider success and adoption of particular change management methodologies. This will enable the development of newer change management methodologies that are more efficient and effective, building upon the current change management methodologies as well as the insights from industry practitioners.

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Raul Gonzalez Muñoz graduated with a Master of Business Administration from the Polytechnic University of Valencia and an MSc degree in Knowledge Management for Innovation at Cranfield University as part of a joint degree programme between the two universities. He continued his studies at Cranfield University, obtaining a Ph.D. in Aerospace manufacturing in close collaboration with Airbus operations in the UK. After working for a year in Airbus Toulouse, he then conducted studies at Sciences Po University in Paris. He joined the Space Task Force at the European External Action Service in Brussels. Currently, he is leading a research project within Capgemini Engineering. The author can be contacted at raul.gonzalezmunoz@capgemini.com