



TEXTBOOK TESTBANKS

Test Bank for Managing Organisational Change 1st Ramdhony

TEST BANK SAMPLE PREVIEW

PUBLISHER

Sage

COPYRIGHT

2024

RESOURCE TYPE

Test Bank

ISBN

9781446298312

*Test Bank for Managing Organisational
Change 1st Edition by Ramdhony*

ISBN: 9781446298312

Managing Organisational Change (1st)

ISBN 9781446298312 | Chapter 2

Total Questions: 15

Multiple Choice (15)

Q1. [Multiple Choice]

What is the role of philosophy in organisational change management?

- a) It enables change agents to analyse complex change situations.
- b) It helps maximise process efficiency.
- c) **It is a key determinant of how change agents make sense of reality. ✓ correct**
- d) It is a tool to effectively communicate strategic decisions.

Q2. [Multiple Choice]

Which statement best describes Heraclitus' worldview?

- a) **Nothing ever stands still and change is the only constant. ✓ correct**
- b) Most things in life have a meaning.
- c) Nothing in the very nature of the world really changes and change itself is just an illusion.
- d) A phase of change is always followed by a phase of stagnation.

Q3. [Multiple Choice]

Which of the following is the least susceptible to change?

- a) The day-to-day routines and activities of an organisation.
- b) **The core social values that define a social enterprise. ✓ correct**
- c) An organisation's IT platform.
- d) Customer preferences and behaviours.

Q4. [Multiple Choice]

Which of the following is an example of 'external flows' that can have a significant impact on organisational functioning?

- a) **Disruptions and shockwaves in an organisation's operating context. ✓ correct**
- b) The flow of goods along an assembly line.
- c) Communication patterns between functional departments.
- d) The value-adding activities that underpin finished products.

Q5. [Multiple Choice]

Which of the statements below is associated with the common assumption that 'change is the only constant'?

- a) Change agents have to battle the forces of change in an increasingly chaotic and unpredictable business context.
- b) Change agents have to learn how to live and let live.
- c) **The on-going development of ICTs have brought about the Industrial Internet of Things. ✓ correct**
- d) Change is not an end in itself but a lever for optimising organisational functioning.

Q6. [Multiple Choice]

Which one of the following statements best explains the basic meaning of organisational change?

- a) **A deliberate move towards some desired state in an attempt to ensure the survival and growth of the organization. ✓ correct**
- b) A simple and straightforward process that aims to transform an organisation.
- c) A necessary but impossible task.
- d) A major shift in an organisation's external environment.

Q7. [Multiple Choice]

Which of the following is associated with operational change?

- a) An approach to change that involves long-range planning.
- b) A radical redesign of an organisation's business model.
- c) Expanding business to new markets.
- d) **An attempt to improve the efficiency of business processes. ✓ correct**

Q8. [Multiple Choice]

Which of the following is *not* a dichotomous conception of organisational change?

- a) Localised v. organisation-wide change.
- b) **Localised v. regionalised change. ✓ correct**
- c) Continuous v. discontinuous change.
- d) Evolutionary v. revolutionary change.

Q9. [Multiple Choice]

What are the main characteristics of transformational change?

- a) Low-intensity, localised and gradual.
- b) Rapid, prescribed and involving small-scale changes.
- c) **High-intensity, organization-wide, radical and often irreversible. ✓ correct**
- d) Broken down in smaller stages over a period of time.

Q10. [Multiple Choice]

Which of the following is a true statement according to the theory of punctuated equilibrium?

- a) **Relatively long periods of low-intensity, incremental change punctuated by shorter, compact periods of high-intensity, transformational change. ✓ correct**
- b) There are short periods of relative stability punctuated by longer bursts of disruptive and rapid change.
- c) Significant evolution occurs during long periods of relative stability.
- d) Significant evolution occurs when organisations have good leaders.

Q11. [Multiple Choice]

Which of the following does *not* account for an organisation's deep structures?

- a) Strategic goals and objectives.
- b) Structural arrangements and work patterns.
- c) Mode of governance and power distribution.
- d) **An organisation's network of external partners. ✓ correct**

Q12. [Multiple Choice]

What is the meaning of upward causation?

- a) When employees exert a causal influence on top management.
- b) **When an organisation has a causal impact on its wider operating context. ✓ correct**
- c) When external causal forces have a significant impact on the organisation's strategy.
- d) When a complex web of causal forces impacts an organisation from above.

Q13. [Multiple Choice]

Which of the following is *not* a benefit of causal modelling?

- a) It can be used to map out significant causes underlying change initiatives.
- b) **It can enable accurate predictions regarding the effectiveness of change leaders. ✓ correct**
- c) It allows change agents to track emergent causal influences throughout the change process.
- d) It can be used to plot evidence-based courses of action.

Q14. [Multiple Choice]

What is the primary focus of organisational development (OD)?

- a) Optimisation of organisational well-being and performance. ✓ correct**
- b) Successful completion of specific tasks.
- c) Monitoring the performance of individual employees.
- d) Ensuring that change interventions are broken down into clearly identifiable stages.

Q15. [Multiple Choice]

Which of the following statements about project management (PM) is true?

- a) PM is always an ongoing process.
- b) PM is the sole responsibility of top management.
- c) Primary focus of PM is on the timely and successful completion of specific tasks. ✓ correct**
- d) PM needs to be led by external consultants.

Teaching guide

Chapter 1: Introduction

Welcome and thank you for choosing our textbook. We are happy to share our teaching experience with you and provide you with some pointers on how to use our textbook for your lectures and tutorials.

For the first chapter, we would like to draw your attention to the following key points:

1. One of the main aims of this chapter is to allow for a gentle yet ‘on point’ introduction to OCM. While the theoretical and disciplinary foundations are addressed in later chapters, we feel it is important, right from the start, to delimit the conceptual boundaries of OCM and underline its vital role in organisational success and sustainability.
2. We also think it is important to issue a sober warning regarding the sweeping generalisations about the high rates of change failure which lack solid empirical evidence. However, based on extant literature, we think it is safe to claim that the main reasons for change failures revolve around key factors such as weak leadership, poor communication, rigid cultural value systems, inability to respond to emergent environmental changes, stakeholder resistance to change, etc.
3. Our ‘alternative perspective’ on OCM rests upon three conceptual pillars: systemic, dialogic and processual approaches to organisational change. While systemic and processual approaches are well established in the literature, we put a particular spin on both approaches. First, we take systemic thinking in a causal direction to enable a more sophisticated understanding of the complex web of causal relationships underlying a change situation and their emergent properties. Second, our processual approach turns on the distinct yet interlocking stages of change management *as process* which is critical to change implementation, evaluation and, even more

importantly, sustainability, which is taking on new dimensions and meanings. A dialogic approach to OCM has not up to now been foregrounded in the literature – despite the growing body of work on this particular area and the widening recognition of the crucial role of democratic forms of communication and participation as a key determinant of organisational change success. We felt that it was time to foreground this critical stream of ideas and propositions in the change literature which can further accentuate the role of effective communication and participation in change success.

4. The conceptual nuggets at the end of each chapter are unique to the textbook and represent an attempt to advance current understanding of the key topics covered. They are aligned with the three conceptual pillars underpinning this textbook, but more importantly, they reflect our preferred view on the relationship between theory and practice. We certainly endorse Lewin's view that one needs to preserve the unity between theory and practice and appreciate their recursive relationship. However, we also endorse the critical view that theory is the growing point of practice and, as Marcuse and Collier would have it, can 'run ahead of practice' in an attempt to address its current failings and improve it. This is what we believe provides the legitimacy for change modelling and consultancy and open up the possibility for students (and the wider OCM community) to engage, challenge, debate and re-imagine OCM.
5. You can access a range of online materials to support your teaching: PowerPoint slides for each topic which you can customise according to your needs, multiple-choice questions to test student learning and a selection of relevant case studies from the publisher's database that can be used for tutorials in addition to more than 30 in-text and end-of-chapter case studies that you will find in the textbook. The links to audio-visual materials can also be of value for tutorials and student's independent learning.

6. The reflective exercises at the end of the chapter can be a good ice breaker and get students to start thinking about the role of OCM and the key causes underlying change failure or success – as a good springboard for a deep dive into the nature of organisational change and the role of change management which is the focus of the next chapter.

Chapter 2: The nature of change and the role of change management

Chapter overview

The purpose of this chapter is to develop a sound understanding of *the nature of organisational change* and *the role of change management*. With regard to the *nature of organisational change*, we consider the philosophical underpinnings of change and their implications for organisational change. We then moderate some common assumptions about organisational change to explain why they contain some partial truths that have to be qualified.

We proceed to unpack a set of dichotomies of organisational change – drawing attention to how these carry overlapping meanings and can complement each other. We then explain the theory of punctuated equilibrium, to show how it foregrounds the alternate patterns of stability and change and elicits thinking about the much-needed balance between the two to enable sustainable change. We give some thought to both the external and internal causes of organisational change and to the possibility of upward causation while highlighting the benefits of thick causal explanations and causal models of organisational change.

We then focus on the *role of change management* to outline its key defining features and explore its links with Organisational Development and Project Management which can bring unique yet complementary contributions to change success. Finally, our conceptual nugget advocates a systemic approach to change management and provides a discussion of its key benefits and limitations.

Teaching suggestions

For the *lecture*, we would include the following key issues:

- The philosophical underpinnings of OCM which have a significant bearing on change initiatives.
- Typologies of organisational change. Van de Ven and Poole's *modes of prescribed and constructive change* which can be used as an effective diagnostic tool.
- The theory of punctuated equilibrium. Students should be able to understand its links to Van de Ven and Poole's *modes of change* and Tushman and Romanelli's *deep structures*.
- The internal and external causes of organisational change. Students should be alerted to the possibility of *upward causation* and value of *thick causal explanations* and *causal modelling*.
- Students should be able to appreciate the key differences and commonalities between OCM, OD and PM and how they can bring unique yet complementary contributions to change success.
- Finally, our conceptual nugget, which advocates a *systemic approach* to OCM and which portrays the organisation as a complex adaptive eco-system. Figure 2.4 provides a good mental schema for considering the key benefits and limitations of a systemic approach to OCM.

Options for tutorials

- Group debate around the commonly held assumptions about organisational change.
- In-text Case Study 2.1 on The Alibaba Group can be used to get students to try out Van de Ven and Poole's modes of change as a diagnostic tool.
- In-text Case Study 2.2 on Hewlett-Packard provides a good example of upward causation.
- The practical exercise on CM, OD and PM in a merger situation which foregrounds their mutually reinforcing roles and contributions to change success.

- Plenary session on the key strengths and limitations of adopting a systemic approach to OCM – Use Figure 2.4 to guide discussion.

Assessment suggestions

Formative assessment

- The in-text case study on the Alibaba Group could be used for a group exercise to stimulate debate around ways to navigate emergent challenges and threats and consolidate students' understanding of Van de Ven and Poole's *prescribed v. constructive* modes of change. It also provides interesting insights into the industrial policies of China which is emerging as an economic superpower.
- The in-text case study on Hewlett-Packard is a good springboard for discussion on the possibility of upward causation and the type of capacity building it warrants.

Summative assessment

Some of the reflective questions relating to important topics could be turned into valid exam questions – examples are given here:

- Discuss how the theory of *punctuated equilibrium* can enable a more in-depth understanding of the process of organisational change. Provide examples of real-life organisations to support your answer.
- Students can refer to the *Hosco* case study, industry examples identified by Gersick (1991) and do their own research into other more current cases in preparation for the exam.
- Discuss the links between CM, OD and PM and explain how these three discrete disciplines can contribute to change success. Use appropriate practical examples to illustrate your answer.

Case studies teaching notes

In-text Case Study 2.1: The Alibaba Group

The Alibaba Group case study provides students with an opportunity to use Van de Ven and Poole's modes of change as a diagnostic tool.

Tips for answers to the questions asked:

1. How would you describe the main mode of change that is underway across the Alibaba Group? Why?

The Alibaba Group is clearly adopting a constructive mode of change. The decision to split the giant organisation into six distinct business units is a response to emergent external threats – entailing a form of radical, discontinuous, revolutionary change that forces a break from the past and progresses in an unstable and unexpected manner.

2. What are the potential benefits and pitfalls of Alibaba's proposed change initiative?

Benefits: Greater agility, capacity for faster response to market changes and greater autonomy in demonstrating an entrepreneurial spirit.

Potential pitfalls relate to high uncertainty regarding the profitability of new business ventures, fear of constant scrutiny from the Chinese Government, the difficulty in measuring success through reliable, failsafe metrics.

In-text Case Study 2.2: Hewlett-Packard

Hewlett-Packard is a prime example of upward causation and a good way of getting students to think about this particular type of causality which is not clearly spelt out in other textbooks.

Tips for answers to the questions asked:

1. Why is Hewlett-Packard a good example of *upward causation*?

HP is a good example of upward causation because it has been able to exert a shaping influence over its operating industry and the wider community. To this end, HP has demonstrated industry foresight and a capacity for strategic regeneration made possible

by technological innovation and an exceptional ability to tap into customer needs and expectations.

2. How did Hewlett-Packard manage to maintain a shaping influence over its external environment over the years?

This is where students can chart the innovative path taken by Hewlett-Packard since its inception, where:

The company has repeatedly transformed itself and creatively re-developed its product portfolio not only to gain competitive advantage but also to change the rule of the game across its industry – examples of innovative products are listed in the case study.

End-of-chapter case study: *Hosco*

This longer case study provides additional evidence for punctuated equilibrium and exemplifies a systemic approach to strategic change in a Scottish healthcare organisation.

Tips for answers to the questions asked:

1. Look back at the key drivers of change that led *Hosco* to embark on a whole system redesign. Which of those factors do you think may have had the most influence on the organisation's change programme?

The answer to this question can be found under the subsection 'Key drivers of change', including new strategic objectives of the Scottish Government Health Directorate, period of economic downturn calling for a major shift in the organisation's skill mix and service configuration, a felt responsibility at board level for the organisation to take a leading role in deploying technology-based projects, and changes in patient demographics.

2. To what extent does the change initiative at *Hosco* support the theory of punctuated equilibrium?

Refer to Figure 2.5 that shows longer periods of relative stability punctuated by sudden waves of transformational change that the organisation went through since the turn of the century.

3. Consider the changes *Hosco* made to its deep structures in its strategic move towards service modernisation. In what way does this account for a systemic approach to change?

Hosco had to make discrete yet mutually reinforcing changes within each of its key sub-systems and processes forming its deep structures to enable a holistic and smooth transition to its new Single System Working – Refer to Table 2.4 in the case study – which accounts for a systemic, organisation-wide approach to strategic change.

Further resources

Sage journal articles

Üsdiken, B., Kipping, M. and Engwall, L. (2011) ‘Historical perspectives on organizational stability and change: Introduction to the special issue’, *Management & Organizational History*, vol.6, no.1, pp.3–12. <https://doi.org/10.1177/1744935910387032>

Van de Ven, A. H. (2021) ‘Projecting backward and forward on processes of organizational change and innovation’, *The Journal of Applied Behavioral Science*, vol.57, no.4, pp.436–446. <https://doi.org/10.1177/00218863211042895>

Warrick, D. D. and Cady, S. H. (2023) ‘Is your organization prepared to manage tsunami change?’ *The Journal of Applied Behavioral Science*, vol.59, no.2, pp.337–340. <https://doi.org/10.1177/00218863221132314>

Sage business case study

Analyzing Opportunities for Organization Development Work at Northern County Legal Services

By Donald L. Anderson (2011)

<https://doi.org/10.4135/9781506308470>

This case study provides some interesting insights into the development of an OD strategy within Northern County Legal Services, a small non-profit organisation offering free legal advice to clients facing various legal issues. It shows how an OD approach to

change can effectively turn around a company seeking to optimise its overall performance.

Videos

How complex global organizations are adapting to our new reality – Sunil Prashara

https://www.ted.com/talks/sunil_prashara_how_complex_global_organizations_are_adapting_to_our_new_reality?referrer=playlist-build_back_better_global_community

The inner side of organizational change – Thijs Homan, Professor in Implementation and Change Management

<https://www.youtube.com/watch?v=3n-c6iAKFgg>

What it takes to make change – Jacqueline Novogratz

https://www.ted.com/talks/jacqueline_novogratz_what_it_takes_to_make_change

Chapter 3: Strategic change

Chapter overview

The purpose of this chapter is to help students develop a sound understanding of strategic change and apply a set of practical frameworks and diagnostic tools to effectively manage it. We begin by unpacking the key features of strategic change including the type of change, resource commitments, the mode of change, the operating context, goal orientation and a focus on the future. We then consider the importance of human agency in the context of strategic change which is underpinned by the two key philosophical concepts of determinism and voluntarism.

We proceed to critically examine a range of approaches to strategic change including planned change, emergent change, Quinn's logical incrementalism, Mintzberg's pattern of strategy formation and development, strategic improvisation, ambidextrous strategic change, and quantum strategic change.

We then consider a set of diagnostic tools to facilitate strategic change: The PESTLE analysis, the SWOT analysis and the strategic business canvas. Finally, we develop our conceptual nugget which considers the implications of the VUCA (Volatile, Uncertain, Complex and Ambiguous) business world for strategic change.

Teaching suggestions

For the *lecture*, we would include the following key issues:

- An outline of the key features of strategic change as a foundation for what follows.
- The key philosophical concepts on determinism and voluntarism which are at the core of an understanding of human agency in the context of strategic change. We argue in favour of a tempered view of change agency as consisting of both determinist and voluntarist elements.
- A range of different approaches to strategic change which should form the ‘bulk’ of the lecture – we have provided case examples to illustrate each of these approaches. Refer to Quinn and Mintzberg to explain how planned and emergent approaches intertwine to form a pattern of strategy formation and development. Attention should also be given to the contemporary approaches to strategic change covered in this textbook: strategic improvisation, ambidextrous and quantum strategic change.
- Diagnostic tools – paying particular attention to the strategic change canvas which is popular among practitioners.
- Our conceptual nugget on leading change in a VUCA business world. Explain how the concept of VUCA can be operationalised into a diagnostic tool and used in conjunction with the PESTLE and SWOT analyses.

Tutorials

- The practical exercise in Table 3.1 can be used to help students familiarise themselves with the key features of strategic change.
- In-text Case 3.1 can be used for group discussion to enable a critical and tempered understanding of the role of human agency in the context of strategic change.

- Practical exercise on conducting PESTLE and SWOT analyses.

Assessment suggestions

Formative assessment

- Use scenario relating to the proposed change for a mid-sized hotel and Table 3.6 to provide students with an opportunity to get some practice in building a strategic change canvas.
- Use Table 3.7 as a template for testing students' ability to apply the VUCA as a diagnostic tool to a real-life organisation. Good for a group exercise.

Summative assessment

- The reflective exercise on planned v. emergent change is a good topic for an exam question. Example: What is the difference between planned and emergent change? Can change agents navigate a middle course between the two approaches to strategic change?

In answering this question, students will need to critically assess both approaches with reference to appropriate organisational examples. In considering a middle course between planned and emergent change, they will need to demonstrate understanding of Quinn's logical incrementalism and Mintzberg's pattern of strategy formation and development.

- The end-of-chapter case study can be used for a group report as a formal assessment. The questions can be modified to meet specific module learning outcomes.

Case studies teaching notes

In-text Case Study 3.1

NHS England: Battling COVID-19 and becoming stronger

The NHS England case study provides a current example of how change initiatives incorporate elements of both determinism and voluntarism.

Tips for answers to the questions asked:

1. Can you identify the determinist and voluntarist elements in NHS England's approach to strategic change in response to COVID-19?

Elements of determinism: NHS England had no choice but to respond to the service disruptions brought about by COVID-19 – triggering a quick response to an emergent, unanticipated event in its external environment.

Elements of voluntarism: The organisation was proactive in conducting an assessment of how it reacted to the pandemic – showing resolve and a willful desire in building its capacity to respond to similar situations in the future and shaping the development of NHS England.

2. What are your views on the role of human agency in the context of strategic change?

Students are entitled to their own views and opinions on this but should appreciate the fact that change agency is a messy process that entails elements of both determinism and voluntarism in an increasingly volatile and unpredictable business world.

In-text Case Study 3.2

British Airways: A planned approach to strategic change

This short case study provides some insights into the benefits and potential drawbacks of a planned approach to change.

Tips for answers to the questions asked:

1. Why does BA's change initiative represent a planned approach to strategic change?

BA's strategic change is a typical case of a planned approach which entailed a centralised, comprehensive strategic plan with formal controls led from the top.

2. Why do you think the strategic plan met with resistance from the Union?

The plan was skewed in favour of managerial interests. The overriding focus was on cost reduction and performance maximisation with little attention to employee needs and interests – which led to a widespread perception of unfairness and anger among staff and the Union's decision to resort to 'drastic' measures.

3. Would you rate the strategic change at BA as a success?