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Driving forces of change management processes

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Abstract: Since 2020, the pandemic has been a major force shaping the social, economic, and technological environment. Market players' rules, competitors, and client needs are quickly changing factors, driving companies to adjust and accelerate decision-making when it is time to change. In an environment of continuous digital transformation, companies can leverage new opportunities that are driving forces. However, there is little research into the opportunities and challenges associated with the drivers of change management for companies. In response to this gap in the literature, this paper aims to provide a deeper analysis of the drivers of process change management and to explore views on the most important drivers. One of the significant skills that helps an organization develop is the ability to realize the need for change. To be aware of this, a good knowledge of the internal and external forces that cause changes are required. The purpose of the article is to determine which main driving forces of change are currently presented using the latest research and how changes will affect employees based on semi-structured interviews. The article identifies human resources, resistance to change, efficiency factors that represent the main driving force during a pandemic.

Keywords: change management; force of change; organizational change; external forces; internal forces; resistance.

1 Introduction

The impact of the coronavirus is felt by all businesses around the world. Managers solve a wide range of interrelated issues that have arisen since the arrival of the pandemic, including ensuring data security during the transition to remote work, increasing cash and liquidity, reorienting operations, and managing complex programs, including government support. The COVID-19 crisis has taken various forms around the world and the pandemic has impacted economic activity around the world (Muhammad et al., 2020). Many organizations, to improve performance efficiency, in one way or another at their level adapt to non-global changes, for example, changing the organizational structure or renewing the staff in response to new rules, and so on. Failures caused by COVID-19 cause large-scale changes. Some call it “the driving force of change”. The forces of change are of two types: organizations are influenced by internal and external forces (Scott and Davis, 2015).



There is no doubt that COVID-19 is a global external force that has an impact on the entire economy and is conducive to change and change management. External forces of change can be more severe, forcing changes. The organization or business must change or cease to exist. Driving forces must outweigh resisting forces in any situation if the change is to happen (Kurt Lewin, 1951). Such forces affect organizations' contribution and efforts to sustainability (DeSimone and Popoff, 2000). Organizations have a higher degree of control over internal changes, which are proactive than over external stimuli, which are reactive (DeSimone and Popoff, 2000; Lozano, 2013). Although the pandemic has brought enormous suffering and loss, some suggest that the driving force of change, such as the devastating COVID-19 virus, can be used and turned into something constructive; capitalize on this current force of change and achieve good results (Tracy Strawn, 2020). The pressure for change is created both inside and outside the organization. Organizations must move forward relying on these forces to survive. Some of them are external, originating outside the company, while others are internal, originating from sources within the organization. Companies may also experience internal forces of change, which may often be related to external forces but are significant enough to be considered separately. The internal forces of change arise within the organization and are related to the internal functioning of the organization. Changes in the environment automatically affect changes in the organization. The COVID-19 crisis has generated unprecedented demands for immediate and far-reaching organizational changes in all areas. The field and practice of organizational change are being seriously tested in terms of the need for change and the pressure needed to make it happen faster than ever. This article aims to identify the main forces driving change during a pandemic. The ability to recognize the need for change in organizations should be one of the most significant skills because if you don't have a good knowledge of all internal and external forces that drive change, then you won't be able to identify them when they appear. The paper is structured as follows: in the first section, dedicated to the literature review, the issues referring to internal and external forces of change, resistance to change management were highlighted; the second section describes the research methodology and tools; in last section, presented the main findings and the conclusions, its practical implications and the guidelines for the future research agenda.



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2 Literature Review

2.1 Internal and external forces

There are many theories about the most important drivers of change and how they affect companies. Various studies have shown that exposure to a specific force can produce both positive and negative effects. Advanced technologies have changed the ways of communication, markets and led to the growth of the online industry. Due to widespread digitalization, as well as the transition to a remote work format, geography has narrowed and the world is now viewed as a single community. Despite various factors at the global and local level, there is growing competition in various markets. The next reason is the introduction of new ways of doing business and new practices, which has become another reason - an increase in business speed caused by technological changes. also, do not forget about the complexity of working in organizations that require faster and more effective solutions.

Some researchers argue that the influence of competitors and the accelerating pace of change in the external environment are the most important factors of change (Pascale et al., 1997), while other scientists argue that the foremost noteworthy drive of alter is the constrained competition which forces the acceleration of the process of change (Jick, 1995).

The most rapidly changing sphere is the IT industry, innovative tools, and new devices appear every day, for this reason, technology is also important (Kemelgor, Johnson, & Srinivasan, 2000). Organizational changes are based on the following fundamental directions: strategic decisions caused by mergers and acquisitions or globalization; processes, for example, fintech and other innovations, new technologies, process reengineering; and other factors such as failure to meet sales targets or decline in market share (Stanleigh, 2008).

Traditional business approaches and tools do not work in today's realities, and if business owners, shareholders, managers want their business to stay afloat and develop further, they must focus on three basic pillars: clients, market competition, and changes around them. (Hammer & Champy, 1996). Drivers of change arise both internally and externally. The ability to change is becoming a key success factor for an organization. Shortly, the most successful organizations will be those in which management can timely notice the need for changes, actively initiate them, and no less rapidly and effectively implement fundamental and long-term organizational changes. As stated above, changes can be external and do not depend on the internal processes in the organization; and internal, arising within the company itself. Often, the internal forces of change are associated with external forces, and they are quite significant, for example, the forced transition to teleworking and changes in processes within the company and a change in the staff structure due to a pandemic



that has arisen from outside as an external force of change. If the management did not respond in time to changes in external forces, then there are gaps between the adopted strategy and the changing market demand; organizational goals and changing consumer preferences; the expectations and results of the functioning of the organization. As a result, the internal forces of change affect the level of productivity and efficiency of the organization, low satisfaction of internal customers, resistance, conflict situations or the introduction of a new mission, a new system of work of the organization, to ensure the introduction of innovations, the source of which can be the initiative of individual employees, teams or management.

Karmarkar (2004) pointed out the positive direct relationship between organizational change and the achievement of an organization's strategic goals. His research highlights the importance of careful planning to ensure that corporate goals and objectives are met, as well as the ability to achieve a competitive advantage. The COVID-19 crisis has created unprecedented demands for immediate and far-reaching organizational change in every area. The field and practices of organizational change are being heavily challenged in terms of needs for change and pressures to make it happen more quickly than ever.

2.2 Resistance of change management

According to Fincham and Rhodes (2006), “change management is the leadership and direction of the process of organizational transformation, especially about human aspects and overcoming resistance to change”. Concurring to Lewin’s recorded hypothesis, driving forces incorporate declining income and benefits, expanded work tact, new challenges within the work, need for organizational structure (Lewin, 1947). Several strengths too exist in organizations that battle withstands up to alter. Controlling powers incorporate company culture, fear of less control, uneasiness approximately works security, and organizational bureaucracy (Lewin, 1947). Knowing the forces can help to make a higher understanding of arranged alter and let the organization know the need got to change. The reason why workers are resistant to alter is since they are perplexed by the obscure (Prokesch, 2009). That's, they feel stress approximately how the to alter will affect them. For illustration, the alter seem to influence their work execution and their relationship with other colleagues (Vermeulen et al, 2010). The current state has a huge deterrent force, and uncertainty about success and fear of the unknown can block change and create resistance. These physical and emotional reactions themselves are strong enough to create resistance to change. But resistance is more than just an emotional reaction. According to the Change Management Report (Procsi, 2021), we need to examine the factors that influence an employee's resistance to change, such as the trust of people reporting changes.; personal factors, including finances, age, health, mobility, and marital status; compliance of changes with their value system, when people and groups under influence can adjust changes according to their interface

and belief frameworks, instability around victory, and fear of the unclear remain critical boundaries for change..

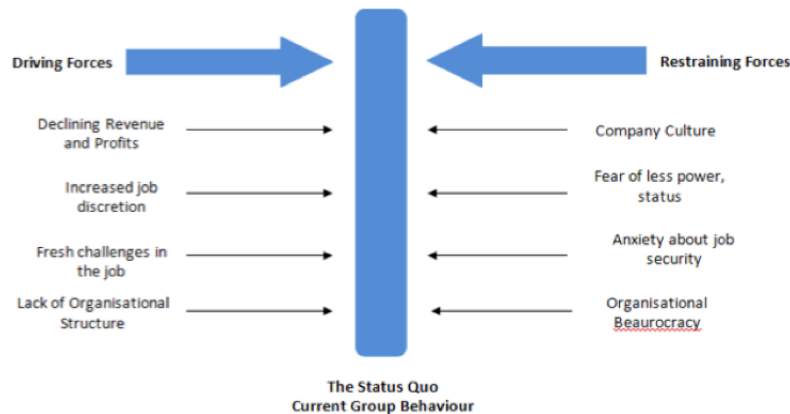


Figure 1 Lewin's force field analysis (Lewin, 1947 pp.5-41)

As long as the effects of these two groups of forces are equal (Figure 1), a change in the current state is unlikely. A shift will occur if the following happens: the power of the driving forces increases or new forces are added to them (reserves of changes); the power of the restraining forces decreases or some of them are eliminated. Organizations can use the framework to collaborate with stakeholders and respond to their needs (Deloitte, 2020):

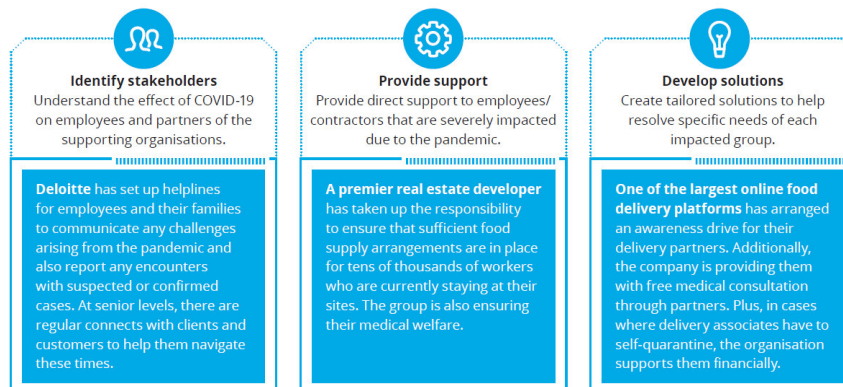


Figure 2 Collaboration framework with stakeholders (Deloitte, 2020)



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3 Methodology

The article has two pillars: first, it contains a comprehensive literature review, which analyzes the literature used, formulates the main ideas, trends, uses the material to define change management and driving force. To this end, the following online databases were searched: Scopus and Emerald, which host a large number of research-relevant publications on management research. The descriptors used were “Change Management” combined with others such as: “The Forces of Change Management”, “Change”, “Business Transformation”, “The Forces of Organizational Change.” Inclusion criteria were adopted: articles in English with thematic driving forces change management, with a publication year from 2013 to 2021. The exclusion criteria were: duplicate articles, articles outside the topic, articles in other languages, articles with non-public access. 38 journal articles were identified, and additional reports from Prosci, Deloitte were taken into account.

As the second supporting pillar, the article is backed up by a qualitative approach: 3 semi-structured interviews to establish a practical viewpoint of change management and driving forces during a pandemic.

4 Results

The COVID-19 outbreak highlighted how important external stimuli are in driving forces and raised awareness of the roadblock to resilience and the familiar pattern of daily routines in response to an external event or crisis. This forces us to take a fresh look at organizational change management. (Lozano and Garcia, 2020). According to the Prosci Best Practice Report (Prosci, 2021), the most active resistance to change is line managers as the group of greatest resistance (42%). The group of ordinary employees was in second place (27%), and directors have (16%). The main reasons for resistance from employees were identified misunderstanding of the purpose and reasons for the changes; changes in job functions; fear of possible job loss or pay cut; lack of support from management or mistrust of them and lack of involvement in change. The reaction of employees to any kind of change in the usual structure of the organization is different. Some express resistances, under which lies the fear of ambiguity and the fear of losing control that they had previously; others are trying to advance their personal interests and position, to defend their borders (Cox and Schleier, 2010). Identifying stakeholders is crucial to minimize negative impacts, maintain control, and provide support to advance the organization.

An important point of change management, without which it is impossible to complete this entire process, is a change leader with the proper level of competition and communication skills (Zulch, 2014). Because of the volatile state and constantly changing environment, organizations must respond appropriately and quickly adapt



to the situation. At this stage, it is important to communicate uncertainties and competently convey information to employees in an accessible and understandable way (Ecklebe, Löffler, 2021). HR departments take a key role and are responsible for the provision and development of new skills, to attract employees with the necessary, rare competency profiles that will help the organization not to be left behind in times of turbulence (El-Khoury, 2017). All forces can be divided into two groups: external and internal:



Figure 3 External and internal forces (created by the author)

To establish a practical viewpoint of change management and driving forces during pandemic 3 semi-structured interviews were conducted. Respondents have managerial positions with a high level of proficiency in HR (Respondent 1), insurance (Respondent 2), and banking sector (Respondent 3). Respondents shared their experience of working processes before and during a pandemic. Before COVID-19 employees were traveling a lot, had meetings, workshops with partners, colleagues, agencies. When the pandemic started, the working processes and activities transformed into digital, remote work increased amount of meetings because people are more accessible; starting online meetings is easier. The respondents emphasize that the biggest change has been the loss of physical interactions between the partners, who were involved in common projects. Which in turn have affected communication and networking. The respondents felt that the increased intensity of the meetings makes it hard since they do not have the energy to sit in meetings all day and it is hard to have a border between remote work and private life. Respondent 1 said that the digital way of conducting work is manageable but meetings in person and visiting the office are more emotionally effective and productive. Also, Respondent 2 states that “Because of the new restrictions from the government side and changes in how networking activities are conducted, it is harder to meet up with other entrepreneurs to share new ideas and connect with potential clients.” But when organizations were asked employees back to offices, most of them prefer remote work. People do not want back to the office, because ‘less time spent on traveling and more time for preparations which has made the workdays in some ways more effective. Respondent 1 shared his experience: “At the company, we focus on training programs that include e-learning



modules, simulations, videos, and social collaboration tools”. Respondent 2 believes that currently the level of uncertainty in the attitude of the future has grown exponentially. And the ability of organizations to change dynamically has become particularly important. But when the epidemic first began, he was categorically against the remote office and offered maximum resistance to all change management processes. During a pandemic and working with change management, Respondent 2 agrees to all changes and “does not want to go back to the office”. In general, the situation with COVID-19 has raised the issue of the importance of corporate offices. Remote work has proven that it can complement office work when needed, the scale of the pandemic and the associated implementation of work from home programs have forced re-thinking about the practicality of the usability of offices and questioned the role of traditional office space (Pataki-Bitto and Kapusy K., 2021). Respondent 3 supports the idea that the pandemic is the main driving force behind change management today: “We have made changes to traditional business models, got new ways and tools to work, and improved the mindset of digital culture in an exceptionally brief period just because during the pandemic we pushed a business that desperately needs these changes to exist. As the results of the interviews show, employees in organizations, regardless of the type of activity, try to adapt to the change. However, most of them undergo a series of reactions, as shown in the “COVID-19 curve”:

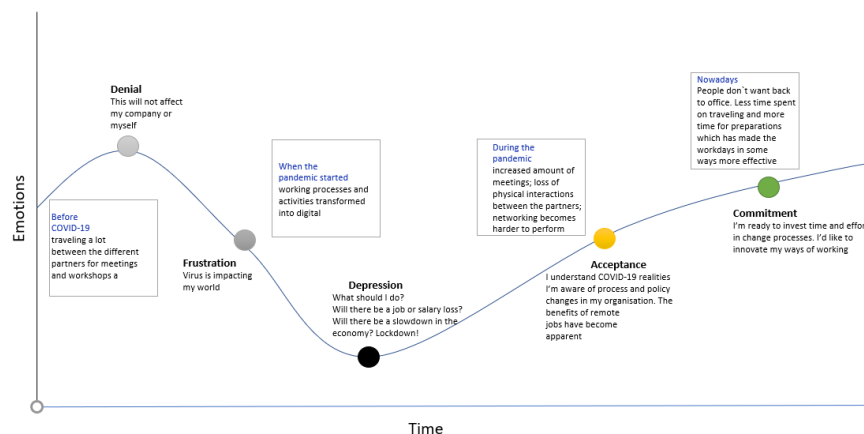


Figure 4 COVID-19 curve, adapted from Kubler-Ross change curve (created by the author).

Organizations must proactively train their employees through the stages of the curve by providing a wealth of information through their preferred communication methods. To implement changes, it is necessary to reduce the risks of resistance, since, with a small resistance level, it is easier and more efficient to implement changes. Changes occur in the internal environment of the organization, which means they affect the organizational culture. Leaders are a significant element in



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change management, and attracting influential and influential people in the organization to their side also has a positive effect on the level of individual resistance to change. To minimize the degree of resistance adequate strategies should be applied, which requires leaders to be careful and attentive in any decisions related to changes. Organizations have more control over proactive changes that take place within the company than over-reactive changes that come from outside (DeSimone, 2000; Lozano, 2013). Scheduled internal changes (as shown in figure 3) are aimed at violation of the controlled contribution to the preservation of the status quo and help to move towards a more sustainable state. In this process, the whole system (communication, human resources, strategy, management, organizational systems, etc.), the driving forces, and obstacles to changing needs should be understood and addressed correctly. Since the onset of the pandemic, many industries at the global level have been forced to work remotely, with the result that approximately 40% of workers work remotely (Boland et al., 2020). Organizations need to rethink the pandemic, reap the benefits and adopt a more humanistic approach with a focus on employees, in harmony with smart industry and management approaches, environmental principles, and social needs of society (Lozano, Barreiro-Gen, 2021). The crisis caused by the pandemic is the incentive that forced us to abandon old habits, adjusts norms by the situation, and become a driver of development (Satish et al., 2021).

5 Conclusion

Organizations are working to become more agile and are looking for drivers for change both internally and externally. The COVID-19 outbreak is a tremendous opportunity to analyze the necessary changes caused by an external event to ensure the resilience of organizations as they transform from traditional business models to new realities. This article gives an idea of this. The phenomenon when an external event or crisis disrupts the status quo of an organization and forces it is to react. Based on the literature review and interviews, a curve was developed to find out how COVID-19 has impacted organizations and what milestones workers have gone through. Results of the interviews show, employees in organizations, regardless of the type of activity, try to adapt to the change. As the results of the review of empirical data and expert opinion show, external stimuli such as COVID-19 influence factors and become an obstacle on the way to habitual parameters of resilience and forcing organizations to move to new changes, to abandon old foundations. The changes depend on the type of organization. In unexpected situations that have occurred in connection with a pandemic, this can be a different aspect that will determine the success of how correctly and promptly the organization responded to the consequences of the failure (Frederico G, 2021). In general, the drivers of change management are the forces of change and resistance. The pandemic is one of the driving forces behind change management. Curve



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"Covid 19" can help organizations better understand the reasons for resisting change, actively educate their employees at the stages of the curve and get them out of the points of "frustration and depression" so that they are better prepared for external events or crises, understand the need for change and improve their contribution to resilience even in the face of a pandemic. The theoretical information discussed is presented in the appropriate sequences and supported by data obtained from the semi-structured interview. Studying this topic in the context of a pandemic will contribute to the formation of a sufficiently deep understanding of the current state of the driving forces of change management from the perspective of further research.

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