

HOW TO PRORATE REAL DIFFERENT TYPES OF CHANGE...



WHAT TYPE OF CHANGE WILL YOU MAKE?

HAPPENED CHANGE

This kind of change is unpredictable in nature and is usually takes place due to the impact of the external factors. Happened change is profound and can be traumatic as it's consequences are unknown and out of direct control. This kind of a change happens when an organization reaches the plateau stage in its life cycle and gets victimized by the environmental pressures or demands. For example, currency devaluation may adversely affect the business of those organizations who have to depend upon importing of raw materials largely. In certain cases, some political, as well as social changes, are unpredictable and uncontrollable.

REACTIVE CHANGE

Changes which take place in response to an event or a chain of various events can be termed as Reactive Change. Most of the organizations indulge in reactive change. This kind of change usually occurs when there is an increase or decrease in the demand for company's products or services. It can also be a response to a problematic situation or a crisis which an organization may be faced with. For example, due to the advancements in technology or growing technological changes, an organization may be forced to invest more in technology to stay ahead to face the stiff competition.

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Recreation can also be regarded as a reactive change, which involves the entire organization and occurs during the stage when an organization is undergoing a serious crisis.

ANTICIPATORY CHANGE

If a change is implemented with prior anticipation of the happening of an event or a chain of events, it is called as anticipatory change. Organizations may either tune in or reorient themselves as an anticipatory measure to face the environmental pressures. Tuning in essentially involves implementing incremental changes which mean dealing with the subsystems individually or just with the part of a system. Reorientation essentially involves changing the organization from the existing state to a desired futuristic state as an anticipatory measure and then dealing with the entire process of transition.

PLANNED CHANGE

Planned change is also regarded as the developmental change which is implemented with the objective of improving the present ways of operation and to achieve the pre-defined goals. Planned change is calculated and is not threatening as in this the future state is being chosen consciously. The introduction of employee welfare measures, changes in the incentive system, introduction of new products and technologies, organizational restructuring, team building, enhancing employee communication as well as technical expertise fall under the category of Planned Change.

INCREMENTAL CHANGE

Change which is implemented at the micro level, units or subunits can be regarded as incremental change. Incremental changes are introduced or implemented gradually and are adaptive in nature. It is based on the assumption that these small changes will ultimately result in a large change and establish the basis for forming a much healthier and a robust system. It even offers an opportunity to an organization to learn from its very own experiences and create the adaptive mechanisms for meeting the ultimate organizational vision.

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The extent of damage due to a failed incremental change effort is expected to be much lesser than the change which is implemented on a large scale or introduced universally.

OPERATIONAL CHANGE

This kind of change becomes a requirement or the need when an organization is faced with competitive pressures as a result of which the focus is laid more on quality improvement or improvement in the delivery of services for an edge over the competitors. Similarly, changes in the customer's buying patterns or demands or the internal dynamics of an organization equally necessitate the implementation of operational change.

Operational change as the name implies means introducing changes in the existing operations for realizing the intended goals. This may include bringing in changes in the current technology, improving/re-engineering the existing work processes, improving the distribution framework or the product delivery, better quality management and improving the coordination at an inter-departmental level.

STRATEGIC CHANGE

Strategic Change is usually implemented at the organizational level, which may affect the various components of an organization and also the organizational strategy. A change in the management style in an organization could be considered as an example of strategic change. A multinational organization like Toyota has taken a step ahead in bringing in a change in the overall organizational philosophy for availing the advantages of being a leaner organization structurally, flexibility, decentralized decision making and functioning of organizations and equally allows a greater extent of freedom or autonomy in implementing proactive decisions.

This kind of change is expected to have a cascading effect on the entire organization and accordingly would be having an influence on the overall performance.

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DIRECTIONAL CHANGE

Directional change may become a necessity due to the increasing competitive pressures or due to rapid changes in the governmental control or policies, which may include changes in the import/export policies, pricing structure and taxation policies, etc.

Directional change can also become imperative when an organization lacks the capability of implementing/executing the current strategy effectively or during the circumstances when a strategic change is required.

FUNDAMENTAL CHANGE

Fundamental Change essentially involves the redefinition of organizational vision/mission.

This may be required during extremely volatile circumstances like volatility in the business environment, failure of the leadership, a decline in productivity as well as the overall turnover or problems with the morale of the employee.

TOTAL CHANGE

A Total Change involves change in the organizational vision and striking a harmonious alignment with the organizational strategy, employee morale and commitment as well as with the business performance.

Total Change becomes a requirement during those circumstances when an organization is faced with many criticalities such as long-term business failure, incongruence between the employee and organizational values, failure of leaders/management in anticipating the realities of business environment or the growing competitive pressures and concentration of power in the hands of few.

A new organizational vision along with major strategic changes as well as complete organizational surgery can be the only solution at this point of time.

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