Chapter V - People and change

The focus of this book is on the future oriented aspects of the interaction between market and technology. The solution of the many problems in this context requires creative behaviour, and it involves changes that affect many people, often the whole company.

The development of market oriented thinking is a complex change process. It may start as a result of market signals, changes of top management, or infusion of new ideas in current leadership (Tellefsen 1995a). The human problems involved are difficult to solve. If they are not dealt with properly, they may hamper, and even destroy the whole effort. Here are no patent solutions, but an understanding of the human side of the processes will help to anticipate difficulties and facilitate the solution.

The reactions to change vary between companies, and within companies there may be groups and individuals who react differently. In addition, each individual is a member of several groups. If the norms and the attitudes of these groups are divergent, the individual may be exposed to forces that pull in different directions.

Some people have a negative attitude, they have "the red light" on. They resist change and new ideas and use their energy to find all possible reasons for why they do not work. Others have "the green light" on. They are open to new ideas and willing to discuss them and help to overcome the difficulties. According to an old Chines proverb there are two ways of reacting:

*When the wind of change is blowing one can either build shelters or windmills.*

In addition to the general attitude toward change, the reactions on specific problems may diverge, depending on a favourable or unfavourable belief in the usefulness of the solution of it. Some people changes "light" now and then, but resistance is rather common. It is even claimed that it automatically arises when new ideas are presented.

*E. P. Torrance states that it takes courage to be creative - "just as soon as you have a new idea, you are a minority of one".*  *D. Schon points to the same - "innovation is painful and companies fight to prevent it. Technological change is less an orderly process than guerilla warfare against the corporate hierarchy".*  *New ideas can easily die. C. Brower states - "a new idea is delicate; it can be killed by a sneer or by a yawn; it can be stabbed to death by a quip or worried to death by a frown".*

There is much evidence to support the "resistance" theses. It has even been coined a special term "kainotophobia", a word as complicated as the phenomenon it describes (Crawford and Di Benedetto 2000). Some claim that people have a mental barrier. Others believe that the environment has a decisive influence; incompetent management, and particularly the chief executive, gets the blame. One is here faced with complex psychological processes. However, by trying to find out what is behind the resistance, one will be in a better position to tackle it. Some reasons are indicated in Fig. 33. Another
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barrier is the lack of ownership; people do not readily accept solutions handed to them from above (Bainbridge 1996).

**conventional thinking:** it is hard to overstep our common sense, what can be observed and understood. There is an inertia toward thinking in new ways. Commitment to established ideas can be a powerful block to change. Even learned scholars are caught up in their deeply established patterns of thought. This may have serious consequences - "scientific authority, without an understanding of new lines of thought, will hamper the development of science".

**organizational concern:** the changes may be perceived as undesirable for the company; they may even increase the dimension of the problems instead of solving them.

**private interests:** new ideas can come in conflict with established positions, status and authority, career patterns, social esteem, social networks, job competence, job security, rewards, financial interests, etc.

**personal integrity:** recognizing that behaviour has been based on wrong assumptions may be felt as criticism and hurt the self image.

**insecurity:** lack of knowledge about the consequences of the changes may threaten the need for security and create fear - "we know what we have, but do not know what we get".

Fig. 33. Some reasons for resistance to change

Much of the resistance stems from the employees, but also companies resist, even though survival may be at stake (Szanto 2001). Customers resist innovation despite better products. The more radical the innovation, the greater the barriers, the greater the resistance (Smilor 1989).

Although there are many explanations of resistance to change, this does not mean that all people are against it. There are other ways of reacting to new ideas. Some people have an indifferent attitude and others accept changes and new ideas with constructive action.

1. Resistance

Numerous examples indicate that people are slaves of established notions and resist new ideas and products (Utterback 1996). Even innovations with obvious advantages are opposed. Instead of attempting to explain it with theoretical speculations, several examples from service and manufacturing organizations will be used for creating a better understanding of the resistance.

The fate of Marie Currie (1867-1934) shows how progress is hampered by rigid traditions and scientific prejudice.

Marie Currie was born in Warsaw and studied chemistry at Sorbonne in Paris. She became research assistant for Henry Becquerel who experimented with fluorescent phenomenons. By chance she discovered that a piece of uranium ore, placed on an aluminum film cassette, gave a strong imprint on the film. Becquerel concluded that the radiation came from the uranium ore and presented this sensational result to the French Academy of Science. He was greatly hailed for this discovery, but Maria could not support his the-