A7 - Excellent

EXAMPLES OF CHANGE MANAGEMENT FAILURES EXPLAINED THROUGH 3 DIFFERENT MODELS

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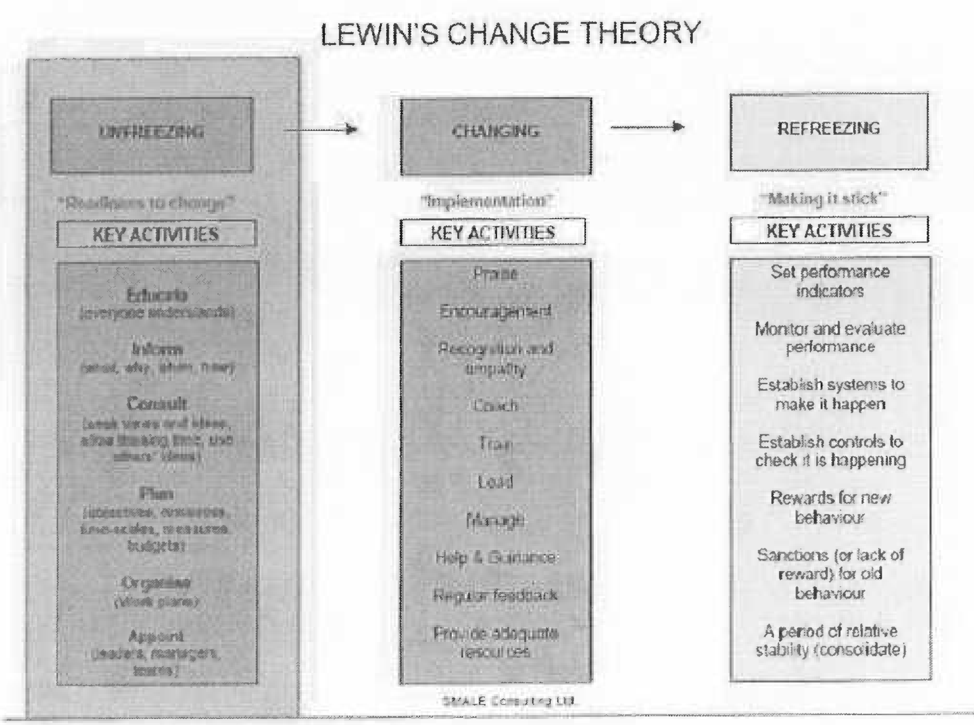
S1: 4
S2: 2

In this report we analyze 3 different cases of change management failures using 3 different models of change management - Lewin's Three Step Change Model, Edgar Huse's seven stage Model of Change and John P Kotter's eight steps to successful change.

Case 1: SAP failure at Lumbar liquidators (Lewin's Three Step Change Model)

This failure was caused not due to the fact that the software was inefficient, in fact SAP had many success stories but instead the failure was caused due to the fact that the users were not ready to accept the new system and hence the adoption of the system didn't take place[1]. Let's analyze this with the help of a graphic model that represents the Lewin's Three Step Change Model.



[1] http://panorama-consulting.com/what-was-the-cause-of-the-sap-failure-at-lumber-liquidators/

[2] http://consultingblogs.emc.com/randyrempel/archive/2011/02/20/lessons-

The box in red shows the stage at which Lumbar Liquidators failed, that is the unfreezing stage. This can be seen by the fact that the employees weren't educated enough about the change and weren't informed about why the change was going to take place. Another aspect that could have been looked at but was omitted was consultation, knowing the reluctance of the employees Lumbar could have avoided implementation of the system and would have saved a big chunk of the $14 million they lost in sales.

Case 2: Upgrade of anti-terror tracking systems (Department of Homeland Security) (John P Kotter's eight steps to successful change)

Boeing took up the responsibility of upgrading the systems for anti-terror tracking being used at the Dept. of Homeland Security. This project was called the Railhead (August 2008) and it cost around $500 million. Once the prototype was released for testing it became evident that the system had many issues and was actually in fact not even as good as the previous system. The cause of this was mainly attributed towards bad management of change and inadequate staff. To better understand where the failure of this change took place lets look at a diagram denoting John Kotter's eight steps to successful change.

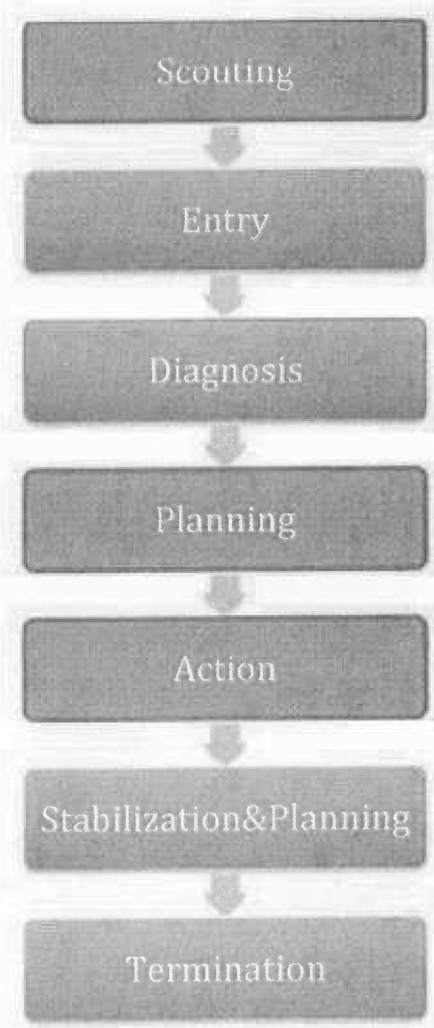
The elements in red indicate the sections that the government failed in while implementing this change.

Build the guiding team - The team that was dedicated towards the completion of this project was not complete as they failed to employ people in oversight roles.

Get the vision right – They failed to achieve this, as there was no direction as to what the final product must be capable of achieving. In the end the final product was lacking and unacceptable.

Case 3: Jack Griffin ousted from Time Warner Inc. (Edgar Huse's seven stage's)

Jack Griffin joined Time Warner Inc. as the CEO with the aim of reinventing the company by building around a new vision. He personally believed that the company was in a crisis. But the management and executives at the company didn't believe so. Jack Griffin was very autocratic (A1) in his methods and believed he knew what had to be done and was determined to get it done at all costs[2]. Lets analyze this situation through the Edgar Huse model.



[2] http://consultingblogs.emc.com/randyrempel/archive/2011/02/20/lessons-from-a-failed-quot-change-agent-quot.aspx

The elements in red denote the steps at which Jack Griffin failed. At the scouting stage the firm and the CEO failed to sit down and discuss the need for change and what it would require to achieve this change, this resulted in the CEO believing that drastic change was required whereas the executives and the management did not. This can be blamed on the lack of clear communication between the two parties. The change was not well planned out as Jack made swift sweeping changes in order to achieve his vision for the company. A change must be slowly introduced into the system to make it easy for the users to adapt. There was no proper plan in place to achieve the vision hence the implementation stage was faulty as well as the changes were not well received by the management and the executives. This eventually led to the dismissal of Jack Griffin only 6 months into his tenure. Had he been more consultative (C2), his vision might have been achieved.