CHANGE MANAGEMENT AS MARKETING POLICY TO ATTRACT ADEQUATE WORKFORCE. CASE STUDIES FROM INTERNATIONAL AND GREEK EXPERIENCE

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Abstract

Managing change is a structured effort whereby individuals and groups of companies attempting to leave a certain situation going to another much better. It is essentially an organisational process aimed at helping employees to accept the organisational changes. Especially in times of crisis, organisational change can help to combat this, the expansion of the business and especially abroad, but also to serve as a marketing policy to attract and select the most capable executives. This can be done because of the fact that organisational change is addressed essentially to people whom wants are to develop and make them better suited to the new conditions. Besides, it is assumed that an organisational change to be achieved requires leaders with special skills in communication, in prediction of future states and in executives that can address the human side of workers.

In this paper it will be therefore tried to determine whether change management can act as a mechanism for attracting suitable staff. Could it be the central marketing policy for staffing the firm? Is it able to pass on the organisational culture to new employees? For this reason a series of examples will be considered from both the Greek and the international experience to prove whether that is correct.

Concerning of the completion of this work, initially will be studied the theory of change management, as well as international and Greek experience

in order to form the basis for future research on the particular character of the process for attracting workers to the development of modern HRM.

Keywords: Change Management, Marketing Policy, Human Resource Management, Employee Relations, Business Management

There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success,
than to take the lead in the introduction of a new order of thing
***N. Machiavelli**, The Prince (1532)*

The leader of a group should be able to say:
"This must be done. You will do that. In this way".
The survival of a group depends on this undeniable power. Without it, no one feels confident.
P. Drucker

Introduction

Historically, change has been around for as long as anyone can remember and there cannot be any written pages in history that have not used the term in one sense or another commencing from changes in the environment reaching to changes in organisations. Change characterises every aspect of our daily lives.

Nowadays, change management surfaces as an essential part of the whole management process and provides a competitive advantage, as well as a capable weapon to confront the competitive environment, implementing effectively and efficiently.

Managing change is a structured effort whereby individuals and groups of companies attempting to leave a certain situation going to another much better. It is essentially an organisational process aimed at helping employees to accept the organisational changes. Especially in times of crisis, organisational change can help to combat this, the expansion of the business and especially abroad, but also to serve as a marketing policy to attract and select the most capable executives. This can be done because of the fact that organisational change is addressed essentially to people whom wants are to develop and make them better suited to the new conditions. Besides, it is assumed that an organisational change to be achieved requires leaders with special communication skills, in prediction of future states and in executives that can address the human side of workers.

The process of change is even more pronounced in recent years. Often the change in a firm is something distinctive, unusual and even undesirable. Nowadays, Business plans are characterised by continuous

change, complexity and uncertainty. It seems that environment is changing rapidly and administration is studying the problem, analysing in smaller problems and devising, detailed and accurate drawings, on steps to be followed (Jick, 1993).

Some questions arisen: Could managing change be the central marketing policy for staffing the firm? Is it able to pass on the organisational culture to new employees? By the end of this work, a promising vision will be created and, hopefully, further research has to begin.

Theoretical Framework of Change

The study of change and development is one of the great themes in the social sciences (Ford & Ford, 1994; Pettigrew, Woodman, & Cameron, 2001; Van de Ven & Poole, 1995 in Rafferty et al, 2013). Interest on this topic continues to grow as organisations struggle to cope with technological advances, a global marketplace, and a denationalisation and deregulation of marketplaces, which have resulted in accelerating environmental complexity (De Meuse, Marks, & Dai, 2010; Gordon, Stewart, Sweo, & Luker, 2000). This complexity requires organisations to rapidly change themselves in order to survive (Gordon *et al*, 2000).

Although large-scale organisational change efforts occur with increasing regularity, often these efforts fail to achieve their intended aims (Beer & Nohria, 2000). A number of recent studies underscore that the low success rate of many change initiatives may be due to poor change leadership and insufficient attention being paid to the "people issues". An organisational transformation perturbs an established system in many ways, particularly among the people who are directly affected by the change. In dealing with and adjusting to the change, employees manifest numerous reactions (Hall and Hord, 2001 in Bareil, 2004). Managers, who oversee the day-to-day implementation of these transformations, are often not very familiar with these reactions, and they are uncertain about how best to help their employees quickly adapt to the change.

Our theoretical model of leadership is founded on the conceptual and empirical work centered on transactional and transformational leadership (e.g., Bass & Avolio, 1993). More precisely, on the work of Sims and colleagues (e.g., Cox & Sims, 1996; Manz & Sims, 1991; Sims & Manz, 1996 in Pearce *et al*, 2002), that articulated a model of leadership made up of four types: (a) directive, (b) transactional, (c) transformational, and (d) empowering. Although transformational and empowering types of leadership were the most efficient and effective ones, real life proved and emerged into surface a sixth type of leadership that is necessary when change is about to happen.

Yukl's (1998) work about the shared vision type of leadership has emerged into a new approach when change embarks on its journey. In shared leadership contexts, these strategies continue to be relevant, with one important caveat: The agents of influence are often *peers* of the targets of influence. Although vertical leaders continue to play a significant role in developing and maintaining shared leadership, lateral influence among peers, shared leadership, should play an important role in explaining team dynamics and team effectiveness (e.g., Avolio, Jung, Murry, & Sivasubramaniam, 1996; Pearce & Sims, 2000; Yukl, 1998 in Pearce and Sims, 2002).

Bridges (1991) is one of the first distinguishing the terms "change" and "*transition*". He contends that change refers to the actual modification in the environment, going from Point A to Point B, and transition signifies the state of turbulence experienced by an individual while the change is being implemented (Bareil, 2004). During this period, those affected by a change must discard their old work habits and adopt or learn new ones.

Organisational change directly affects all departments from the entry level employee to senior management. The entire company must learn how to handle changes to the organisation (Seel, 2000).

When determining which of the latest techniques or innovations to adopt, there are four major factors to be considered (Barker III and Duhaime, 1997):

1. Levels, goals, and strategies
2. Measurement system
3. Sequence of steps
4. Implementation and organisational change.

Regardless of the many types of organisational change, the critical aspect is a company's ability to win the buy-in of their organisation employees on the change. Effectively managing organisational change is a four-step process (Todnem, 2005, Stardy and Grey, 2003):

1. Recognising the changes in the broader business environment
2. Developing the necessary adjustments for their company's needs
3. Training their employees on the appropriate changes
4. Winning the support of the employees with the persuasiveness of the appropriate adjustments.

Change management processes should include creative marketing to enable communication between changing audiences, as well as deep social understanding about leadership styles and group dynamics. Change management should try to keep in mind that different people react differently to change and everyone has fundamental needs that have to be met (Mento *et al*, 2002). Additionally, change often involves a loss, and people go through

the "*loss curve*" plus expectations need to be managed realistically and fears have to be dealt with (Aladwani, 2001).

Successful change management, meaning keeping in mind the above mentioned, is more likely to occur if the following are included (Kotter, 1996):

1. Benefits management and realisation to define measurable stakeholder aims, create a business case for their achievement (*which should be continuously updated*), and monitor assumptions, risks, dependencies, costs, return on investment, dis-benefits and cultural issues affecting the progress of the associated work.
2. Effective communication that informs various stakeholders of the reasons for the change (*why?*), the benefits of successful implementation (*what is it for us, and for you*) as well as the details of the change (*when? where? who is involved? how much will it cost? etc.*).
3. Devise an effective education, training and/or skills upgrading scheme for the organisation.
4. Counter resistance from the employees of companies and align them to overall strategic direction of the organisation.
5. Provide personal counseling (*if required*) to alleviate any change-related fears
6. Monitoring of the implementation and fine-tuning as required.

Finally, after exploring the theoretical background of change management and depicting some basic elements of our work, can we ask if change management favors selection and recruitment purposes?

Methodology

The research conducted was an exploratory study as its objective was not to define a problematic situation regarding the examined topic but rather to examine the possibility of change management during economic turbulence being the attraction model for selection and recruitment of staff. The main aim was to document the topic as completely as possible, not restricting the description to those topics that have been examined in earlier studies. The object of study differed from all earlier studied objects. The goal of the study was to describe its exceptional character that existing theories and studies are unable to portray, leading to a new perspective.

The above mentioned selected method included as well the collection of secondary data, especially the adoption of case studies. This study required the adoption of case studies regarding change management and recruitment attraction since they set an appropriate and relevant example from the point of actual good practice that is evident but never stated.

Moving along, the nature of this study surfaced a number of obstacles concerning the process of collecting data and the procedure of reaching its research objectives. A first obstacle was the long-term period for which relevant theories about change management, leadership and organisational change existed but never undertook the unmarked path leading towards workforce attraction and recruitment and selection meaning new uncharted waters. A second limitation was the large variety of academic articles that have been occupied on a sole basis with elements of the proposed study and not as a whole to create a correlation between them, as well as future prospects of the intended outcome. Therefore a relevant clarification and clearance in general of what is actually necessary to assist was needed.

Can Change Management favor Selection and Recruitment purposes? The case studies of British Airways and Folli Follie

British Airways (BA) is the biggest airline enterprise in UK and one of the largest in world. **Sir John King** was the president of BA in 1981 and his main object was the privatisation of the BA. **Sir King** mentioned that BA was «*The World's Favourite Airline*». The privatisation was completed in 1987. After the privatisation, BA was placing programmes for putting the people first and to examine their interactions with others. Almost 40.000 employees of BA attended this programme; this programme mentioned the importance of the culture, leadership, vision and feedback. Determining manpower gaps and barriers to HRP is important for the HR strategy and same was the case of BA. **K. Davis** mentioned that, "*An organisation should identify their short-run and long-run employee needs, examining their corporate strategies*" (Rath, 2012; http://www.emergeeducation.com/ case_studies/BA.pdf).

Folli Follie creates, produces and allocates internationally famous jewels, clocks, accessory and manufactures, distributes jewellery, watches and fashion accessories. Because of the internationalisation of the company, was achieved transition from a traditional business concept to the requirements of the globalisation economy. The company has accumulated experience of internationalisation activities (Xletsos, ny). The company has implemented international accounting standards in its efforts to achieve the long-term planning and investment objectives. Folli Follie has present in 28 countries, 750 points of sale worldwide and around 6,000 workers. In this way it faces the current recession (Commercial Bank, 2011). Although initially was considered family, Folli Follie is now an innovating and fully investing company. In this process is a man of energy and excitement that supports new ideas, builds support for all those involved in the program exceeds the resistors and finally implements innovative ideas. Folli Follie managed to be one of the most popular brands around the world.

The owner of "Zagori" **Chitos** decided to re – launch the historical Greek beer market Fix few years ago. The organisational change has had an impact on issues related to the structural stability of the company, the range of its management fee and its development. The configuration of organisational culture in the study now becomes even more important if we consider that even today is shaped both the structure and the manpower (Schein, 2004). Against the suffocating economic environment and in a period of intense crisis, Olympic Brewery, emphasises on innovation and invests in extraversion and distribution of beer in overseas markets, presenting opportunities for growth. (http://www.imerisia.gr/article.asp?catid=26519&subid=2&pubid=112797007). This change has had good results in the field of human resources. More specifically, the company began its operation employing 30 workers, while after completion of investment in facilities in Ritsona estimated to work on it about 150 employees (http://www.kathimerini.gr/4Dcgi/4dcgi/_w_articles_mc7_1_02/12/2010_1293406).

The history of Halyvourgiki begins in 1925 when the founders of **T. Angelopoulos** and children **Dimitris, Panagiotis** and **Ioannis** began to engage in trade of iron. In 1932, however, install a wire manufacturing plant species, named Greek TH.A. **Angelopoulos & Sons** and thus pass in the manufacturing sector. The activity continues in the same area until 1938. Today, the steel with new modernisation investments made since 2001 has the most modern steel plants not only in Greece (http://www.halyvourgiki.com/): "This is achieved through high quality products and services, competitive production cost, paying attention to customer needs, using best available technology and above all, responsibility towards the environment, people and society" (http://www.halyvourgiki.com/)**.** According to **Kritsantonis**, CEO of human resources department of the company, the significant involvement of management accompanied by a radical renewal of managers, new organisational chart, as well as a significant investment in information technologies communications. This strategy was formed on the basis that workers are the main source of prestige and benefits and should be treated as an investment. The steps followed by the administration was to evaluate the partners, creating the structure of the department and the definition of duties and "*responsibilities*" of workers, to supplement and enrich the group of associates with a new manager with experience and knowledge and finally the installation of an information management system (Karakasi,1995)

Discussion - Conclusion

Due to a successful change management policy, enterprises have the opportunity to recruit talented and motivated employees as well as retaining

human resources they desire, from the local communities, with significant economic benefits for businesses. Also, they reward the efforts of workers and form a team spirit to achieve their goals (Kotler *et al*, 2005). Improved working conditions, workers are fully satisfied, no specific conflicts between workers and the employers. Any conflicts had to do due to complaints salary (*formed the impression by some that the salary did not reflect the quality and quantity of their work*) and these complaints are addressed through discussions with the staff.

K. Lewin (1947) wrote "*a change towards a higher level of group performance is frequently short-lived, after a "shot in the arm", group life soon returns to the previous level. This indicates that it does not suffice to define the objective of planned change in group performance as the reaching of a different level. Permanency of the new level, or permanency for a desired period, should be included in the objective".*

Fred Foulkes (1975) mentioned that "*for many years say that capital is the neck of the bottle (bottleneck) is a growing industry. I do not think that applies anymore. I think the bottle neck for a production in the workforce and the company's ability to recruit and maintain it. I do not know any big project based on good ideas, vitality and enthusiasm that was stopped due to lack of cash. But I know industries whose development was stopped for failing to maintain an efficient and enthusiastic workforce and I think this will be increasingly true in the future*".

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