

Organizational change: Factors to consider as remote and flexible work become the norm

The status quo of how people in organizations work has been rapidly changing over the past couple of years with virtual and remote work becoming more common. Some of this has been driven by new generation talent requirements and cost reduction measures but the recent impacts of the Covid-19 pandemic have forced most, if not all, organizations to move in that direction faster than planned. This rapid transition to a remote working model can be classified as discontinuous change. Discontinuous change can be described as resulting from a rapid shift triggered by major internal problems or external shock (Senior, 2002 cited in By, 2005). In this instance, the external shock would be the Covid-19 pandemic.

While organizations are currently dealing with the immediate impacts of Covid-19 and the discontinuous change, the longer-term repercussions are beginning to kick in. WEF has indicated that the longer-term impacts could be worse than the 2008 economic recession (WEF, 2020). As a result of this and growing pressure on organizations to offer higher levels of safety and precaution at work, organizations are likely to consider continuing their remote based working conditions beyond 2020 (WEF, 2020).

WEFs predictions have proven true with Covid-19 numbers still souring and majority of organizations still catering for remote working conditions. Organizations are now proactively thinking through their strategy around remote work and ways of working for the longer period. This shift to a more deliberate and purposeful way of working is categorized as planned change. Planned change can be described as a more methodical pro-active approach to organizational change (By, 2005). Organizations will need to carefully think through the shift from discontinuous to planned change and what it means for their employees.

In this article, we dive further into each construct and the remote working phenomenon, and highlight three key areas for organizations to consider as they plan the way forward.

1. Discontinuous and planned change

“Change is an ever-present feature of organizational life, both at an operational and strategic level” (Barnes, 2004 as cited in By, 2005). Most literature on rate of occurrence of change is focused on planned, incremental and emergent change. There is less literature focused on discontinuous change.

Discontinuous change is described as resulting from a rapid shift in strategy, structure or culture, or all three (Grundy, 1993 cited in By, 2005) or triggered by major internal problems or external shock (Senior, 2002 cited in By, 2005). Luecke (as cited in By, 2005), however explains it as a more onetime event that occurs and is followed by a period of stillness. Because of these periods of stillness, these events are seen as separated and abrupt shifts in time and possibly the reason why less literature exist around discontinuous change or the move from discontinuous to planned change, due to the very nature that the shock or disruption does not happen very often. Many authors agree that the benefits of discontinuous change do not last (Bond, 1999; Grundy, 1993; Holloway, 2002; Love et al., 1998; Taylor and Hirst, 2001 as cited in By, 2005) and could be another reason why researchers have not explored this concept much.

Planned change can be described as a more methodical pro-active approach to organizational change. It has a definition of success as an end state and the change process defines moving from the unsatisfactory current state to the desired satisfactory future state (By, 2005). Initial research on organizations change based on Lewin explains that planned change involves three stages namely unfreezing the current state, moving to a new state and then refreezing the new state (Armenakis & Bedeian, 1999). However, many authors have pointed out that this assumes the organization operates under constant conditions and that the process used to plan change should factor in the state of existing content and contextual factors, which include both internal and external elements. Huy (2001) states that time and content are the two important factors to consider when doing planned change and categorizes planned change into four types namely Commanding, Engineering, Teaching and Socializing. Commanding is described as top down, instructive, linked to a specific desired outcome and often focused on tangible aspects like processes, systems and structures and not intangibles, such as values or beliefs. Engineering is centered more on process improvement and productivity and time sensitive. Teaching and socializing focus more on the intangible aspects related to beliefs and behaviors. Teaching focuses on educating, gradual change and changing behaviors through changing beliefs. It involves helping employees make sense of the proposed change in order to adopt it and change their behavior. Socializing concentrates more on changing belief through behavior by creating rituals that allow for social bonding. Van de Ven and Poole (2005) offer a two-dimensional model, consisting of four approaches, for analyzing organizational change which focuses on both process and variance and the role that time plays in these approaches. The four approaches may be viewed as opposing or competing views, but Van de Ven and Poole see them as being complementary, with each approach focusing on

different questions and providing different understandings of organizational change. Van de Ven and Sun (2011) proposed a set of models for organizational change centered around breakdowns and remedies namely: Teleology (planned change), Life cycle (regulated change), Dialectic (conflictive change) and Evolution (competitive change). The models can be used collaboratively to allow change planning to shift modes depending upon circumstance and/or adjustment to implementation breakdown. Armenakis & Bedeian (1999), Huy (2001), Van de Ven and Poole (2005), Van de Ven and Sun (2011) all propose various models for planning and evaluating change, however their research does not focus on the shift from discontinuous to planned change or the experience of the employee undergoing the change, and how they make sense of it.

As organizations move from a discontinuous to planned change, both teaching and socializing will need to be factored in as they evaluate their plan. The discontinuous change has created social change through new practices being implemented globally as a result of the crisis. Therefore, beliefs of employees might have shifted as a result of these new practices and behaviors which could impact their narrative and sensemaking process. An example of this is the narrative around productivity when working remotely. As the organization moves to a more planned change approach, they will need to factor in the changed beliefs of employees, through the initial socializing, in order to determine the narrative for the planned change.

2. Employee's experience and sensemaking

Weick (1995, as cited in Lüscher and Lewis, 2008), describes sensemaking as the effort to interpret and create an order for occurrences. Sensemaking seeks to create a level of understanding in order to effect the change, however is heavily influenced by the current context, time and content. Change processes therefore often require reframing where the change actors focus on altering the meaning in order to change beliefs or behaviors through teaching and socializing (Huy, 2001)

Framing and reframing have been covered in some organizational change literature but not extensively (Chreim, 2006). Chreim (2006) explains that frames are templates that help us make sense and understand events, and are derived from an individual's experience (Bartunek 1993 as cited in Chreim, 2006). Reframing is therefore a managerial activity that helps change the meaning or the interpretation of the experience of the employee. Hardy (2004), Palmer and Dunford (1996) as cited in Chreim (2006) further explain that the wider discourse plays a significant role in an employee's framing and the way

that they interpret and make sense of an experience. Benford and Snow (as cited in Chreim, 2006) suggest that the “mobilizing potency of a frame is affected by experiential commensurability and narrative fidelity”. Experiential commensurability can be explained by the similarity of the frame and the experience of the employee, and narrative fidelity is described as the extent to which the frame resonates with cultural narrations.

Butcher and Atkinson (2001) explore the role of language in their research. They propose that certain language appeals to top-down vs bottom-up organizational change and can hinder an employee’s ability to accept the narrative and relate to the change thereby impacting their framing and sense-making. Their research attempts to show that bottom-up language is more effective when trying to communicate change in order to legitimize the approach.

Sonenshein (2010) developed a theory around how managers interweave narratives to implement strategic change. He states that strategic change involves altering employees’ construction of meanings by using a discourse that sets a new direction for an organization and although managers exercise control over formal systems, employees have agency whereby they can construct different types of meanings that can alter the meaning of a change and their response to it such as the cultural narration mentioned by Benford and Snow or the wider discourse mentioned by Hardy, Palmer and Dunford (as cited in Chreim, 2006). Sonenshein suggests using both preservational and transformational meanings at the same time (what the authors call “strategic ambiguity”) to create “unified diversity”: which is a condition that allows employees and managers to have multiple interpretations of a change while believing that they agree on the meanings.

Both Lüscher and Lewis (2008) and Huy (2002) draw attention to the importance of middle managers in organizational change. Huy (2002) states that middle managers are the intermediaries between leadership and front line. Lüscher and Lewis (2008) note that middle managers are not just ‘conduits’ of information but themselves need to make sense of change, even if tension or paradox exists. Middle managers also play a key role in framing and reframing, the usage of change-language and the choice of strategic narrative in order to help bring along the front line employees and influence their experience and sensemaking.

3. Remote and virtual teams

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There has been a big shift by organizations catering for more remote and flexible work conditions over the past decade with the “remote / virtual team” becoming the norm (Ford, Piccolo, & Ford, 2017). Already in 2019, a quarter of the U.S. workforce was working from home at least part of the time (WEF, 2020). Among ‘knowledge workers’, at least half were already working from home at least part of the time. Some of this has been driven by new generation talent requirements and cost reduction measures but the recent impacts of the Covid-19 pandemic have forced most, if not all, organizations to move in that direction faster than planned. As of March 2020, most organizations have found themselves having to adapt overnight to cater for remote and flexible teams. While organizations are currently dealing with the immediate impacts of Covid-19, the longer-term repercussions are yet to kick in. WEF has indicated that the longer-term impacts could be worse than the 2008 economic recession (WEF, 2020). As a result of this and growing pressure on organizations to offer higher levels of safety and precaution at work, organizations are likely to consider continuing their remote based working conditions beyond 2020 (WEF, 2020). Some tech giants have already publicly communicated this, such as Twitter, Google, Facebook.

Remote or virtual teams can be described as a set of two or more individuals who are organizationally or geographically dispersed that are unable to physically work together on a day-to-day basis and rely on technology and communication platforms to accomplish their common goals (Townsend, DeMarie, & Hendrickson, 1998 as cited in Ford et al., 2017). Remote and virtual teams have become a common phenomenon within organizations over the past two decades (Breuer et al., 2016) as a result of trying to solve for two common problems, namely: 1) how to organize a set of individuals based on their expertise that cross traditional organizational design clusters, and 2) how to address location specific needs without replicating the team in each location (Ford et al., 2017). Prior to the Covid-19 pandemic, most large organizations were likely to have some level of remote or virtual teams that sit along that continuum (Breuer et al., 2016), with leaders managing individuals that they might not have met and rather only connected with through technology (Carrison, 2017). Traditional definitions of remote or virtual teams focused on the differences between face-to-face and virtual, while current literature focuses on teams along that continuum with a combination of both aspects (Fiol & O'Connor, 2005 as cited in Ford et al., 2017), however most literature does not focus on the transition from face-to-face to remote and virtual work.

There are many benefits of remote and virtual teams, due to their geographic and organizational dispersion, such as flexibility to draw on knowledge, diversity of language, culture and perspective, a variety of cross functional skills and better coverage of time zones. This enables organizations to meet the demands of today's hypercompetitive global environment (Greenberg et al., 2007). To support virtual work and unleash its potential, organizations are increasingly adopting new and innovative technologies for communication and collaboration to enhance performance within these teams (Greenberg et al., 2007).

However, remote and virtual teams add other associated challenges, in addition to the ones experienced by face-to-face teams, such as increased complexity, reduced inclusion, language barriers, culture, and working styles (Ford et al., 2017), as a result of different location, time zones, cultural norms, and multiple reporting lines (Nydegger & Nydegger, 2010). And despite there being extensive literature available on how to manage in-person teams, there is far less literature, best practices and understanding on managing remote or virtual teams effectively (Ford et al., 2017). Nor is there much research-based knowledge about how to support employees as they shift from in-person team-based work to remote team based work.

3 key areas for Organizations to consider as they deliberately incorporate Remote and Flexible work into their norms

Understand the level of socializing that has taken place due to discontinuous change of working remotely (i.e. pandemic) and how this has impacted your employees perception and sensemaking of remote and flexible working conditions and associated support.

Understand the role of the middle manager in helping deliver this planned change, assisting employees to make sense of it, and coming to terms with it themselves. Determine what communication can support this effort and what support middle managers will need from the organization.

Be careful of developing a one size fits all model. Remote and flexible work mean different things to different people. The benefits and challenges also differ and can be very context driven based on their location, team and also personal circumstances. Be flexible in the approach and focus more on the guiding principles.

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About the Author:

Zaheera Soomar works in the Sustainability and Social Impact space. She also owns and manages an independent management consulting practice. She has more than 17 years of experience leading on business strategy, organizational change, responsible business practice and innovation and large-scale transformation across multiple industries. She specializes in overseeing multi-disciplinary and related areas such as People, Operations, Risk, Strategy, Business Development and Finance. Zaheera is currently based in Toronto, Canada with her husband and three kids. She also sits on a few Boards focused on women empowerment, diversity and inclusion, and disaster recovery. In addition, she is currently pursuing her Doctorate through Haskayne Business School focused on Organizational Change and the Future of Work.

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