

# Managing Change

Jing Ren

University of Birmingham, Birmingham B152SQ, UK.

---

**Abstract:** As Crainer (2000) said, management needs change and continuous improvement, especially for enterprises. Change is the survival rule of enterprises in the 21st century. If an enterprise wants to succeed, it needs to make changes timely according to the changes in the environment and conditions. From the change of enterprise strategy to the change of business process starting from the grassroots needs, it needs to make continuous efforts from all aspects such as concept, method and actual combat. This study mainly studies CNE Change management cases. The second part mainly includes the Burke and Litwin Change Model and its application. The third part mainly covers two key change management plans and ethical analysis.

**Keywords:** Management; Enterprise; Change

---

## 1. Change Management Diagnostic Model

### 1.1 Critical analysis of diagnostic model

First of all, considering that Dave Stewart realized the increasingly fierce external competition environment after recognizing the continuous expansion of competitors, and then made a reform plan, the McKinsey 7S model focusing on the analysis of internal environment is not suitable for this CNE case. In addition, the core point of application of 7S model is simply objective presentation from the software and hardware of the company, so as to help consultants and the team quickly understand the current background and organizational information of the project, but it plays a limited role in pointing out the critical path of change, so it is not a wise choice. Like McKinsey's 7S Model, Weisbord's 6 Box Model is also a tool to continuously examine the business implementation process from an organizational perspective. This model lacks in-depth analysis and strategic research on external environment, so it is not suitable for studying CNE cases. And Weisbord's model ignores the interaction and connection between boxes to some extent, so the application of 6 Box Model is easy to fall into the following misunderstandings. For example, over-focusing on a problem, where all problems boil down to one box and only look for solutions from that box. It's easy to go astray and end up backfiring. Or managers may be overly idealistic, treating the six boxes as the master key and not considering other factors beyond the six boxes. Secondly, Kotter's Integrative Model mainly emphasizes the important role of key organizations, while the success of CNE case mainly depends on the leadership of the core team, which is not reflected in Kotter's Model, so it is not suitable for analysing this case. The Burke and Litwin Change Model is very comprehensive in diagnosis of change and pays attention to both internal and external alignment. Burke and Litwin Change Model divides 12 key factors into four levels from macro to micro, namely, External environment, Total system, Local units, individual level elements. So the model doesn't have the problems of the other three models above. The most important is that these factors are interrelated and influence each other, and together constitute the whole of the diagnostic revolution. In addition, the key factors for the success of CNE cases are outstanding core leadership team and discerning strategic layout, which coincide with the core elements of Total System. Therefore, this study believes that Burke and Litwin Change Model is the most suitable Change management diagnostic Model for CNE cases. Application of diagnostic model

Considering that Burke and Litwin Change Model divides the key elements of evaluation of Change into four levels from macro to micro, we first consider the external environment of CNE. According to Carlin et al. (2011), Dave realized that the necessity of change was mainly due to the increasingly fierce external competition from other tribes, and there was little difference between Dave's

products and their competitors. Therefore, Dave decided to introduce Hard Rock resort and casino to shape product differentiation and further capture market share. On the other hand, in the middle and later stages of the project, hard Rock sold the franchise, resulting in stalled negotiations on the project, which directly affected the progress of the project and had a certain negative impact. Fortunately, Dave did not give up and successfully completed the project.

Secondly, considering Total Systems. The mission of CNE change is to stimulate economic development within the Cherokee nation, provide employment, and further inherit and promote the national culture. The strategy is to differentiate products by introducing Hard Rock hotels to maintain a competitive edge by continuing to act as market leaders. Leadership is mainly reflected in the 8-member leadership team with Dave Stewart as the core leader. Direct mutual trust, understanding and communication among team members are the foundation for the success of the project. The unique leadership of these eight people in different fields also makes team operations more efficient. CNE's organizational culture was a major source of resistance to change management, as CNE's board of Directors were Cherokees who felt that Hard Rock would affect the promotion of their national culture, which they were proud of.

The third tier is local units. The structure of the CNE reform is relatively flat. After Dave convinced the chief, the board of directors at the top and the tribal Council, the rest of the implementation and management plan was completed by Dave and a team of 8 people. The rest of the company only needed to cooperate and help the work of the above 9 people, so the system and management process was relatively simple. The Working climate of the project was relatively easy due to the flat personnel structure and no obvious difference in power between the 8-member team. Although there may be disagreements among team members, they can coordinate and compromise with each other through communication. However, from the perspective of the whole company, there are still many employees who do not understand and support the reform. The team members will try their best to listen to the opinions of these people and constantly improve the reform process.

The final level is Individual Level Elements. Dave assigned each of the 8 team members to different tasks based on their expertise in different areas, so their skills were matched to the job content. Dave's personal vision is aligned with the company's vision to transform CNE and deliver continued benefits to the Cherokee nation. The other eight are trying to put their talents to good use in the project, so they will maximize their own and others' work efficiency. However, individual and organizational performance was not measured in the CNE case, and due to the late transfer of the Hard Rock franchise, the project was delayed and the chaotic reality of having two plans in parallel. Fortunately, the licensing agreement was signed before the deadline.

## **2. Ethical Change Management Plan**

### **2.1 Rationale for the Change**

Dave's resistance in the process of reform mainly comes from the opposition of the board of directors and other related stakeholders. CNE's own resistance and fear to change (internal staff's lack of understanding and support); The acquisition of Hard Rock by the Florida tribe led to the suspension of partnership talks; Pending state ratification led to a chaotic scene of parallel lines; Normal construction delays before the deadline. It can be said that there was a lot of resistance during the operation of the project, which is also very normal during the operation of the project. However, when the project was finished and the team reviewed the whole process, it could be found that some problems could be avoided. Reflecting on and improving the aspects of previous mistakes would help us reduce resource waste and improve work efficiency when we complete other projects in the future. In the face of opposition from the leadership and resistance from the company, Dave and others successfully solved the problem by persuading Chief Smith and structuring plan. On the other hand, normal construction delay is a problem that all projects may encounter in operation, and the only solution is to give appropriate flexible adjustment time when planning the expected progress of the project, so as to slow down the progress of the project as much as possible. Therefore, the intervention measures in this study do not consider this problem for the time being. But stalled negotiations and a two-pronged mess can be avoided by backtracking or intervention. If intervention measures can be taken in advance, the project may be completed earlier, that is, the project will progress more smoothly.

## **2.2 Application of relevant theory and concepts in change management plan**

As the two problems (The Florida tribe's acquisition of Hard Rock led to the suspension of partnership talks and pending nation approval, leading to a parallel mess) encountered in the above project progress were mainly caused by the dynamic changes of the external environment, Dave's team did not take emergency measures, so the problems were not well solved. Therefore, the change goal was mainly to predict the possible changes of the macro external environment and prepare for countermeasures in advance.

In particular, Florida's acquisition of Hard Rock was unlikely to happen overnight, and the modern world is so informed that the leadership team may have heard about the acquisition before the project even started. So, one of the possible interventions would be for Dave's team to conduct back interviews with potential partners prior to the start of the project, including but not limited to Hard Rock's past and current business status, recent developments, future trends, core leadership structure, etc. This intervention mode is mainly the process of information collection. When the decision maker has enough information, he can better control the situation and is less likely to make mistakes in judgment (Jacobs & Ettorre, 1993). Just as Dave tried to convince the board that he responded by putting together a convincing financial statement that Hard Rock was profitable, Dave should have done a thorough and in-depth study of the partners before actually moving forward with the Hard Rock deal. In this case, the CNE will have more time and a more adequate solution to deal with the subsequent stalled negotiations. CNE could purchase information from a consulting firm or arrange for one of its eight team members to conduct research on Hard Rock in advance. The former has the advantage of collecting more accurate and comprehensive information, but it also costs more. The advantage of the latter is that all information collected by members will be shared with the group internally, and there is no problem of selective release of information, and the cost is lower, but the disadvantage is that the information may not be accurate and comprehensive. The resources required for this intervention were mainly information about Hard Rock provided by external consultants. Since the diagnostic problems are caused by external influences, there is no way to use 3D models to analyze them.

The delay in nation approval has forced Dave's team to simultaneously prepare two very different stadium expansion proposals, one Cherokee themed and the other Hard Rock themed. This undoubtedly increases the workload of the team, reduces productivity, wastes resources (no matter which solution is ultimately adopted, another alternative will cause some waste of resources) and chaos within the team. So, another intervention suggested in this study is to fund a group of politicians to lobby government departments and try to persuade them to agree to the CNE and Hard Rock cooperation. Even if persuasion fails, they can be urged to speed up the approval process and shorten the project process. Another benefit is that through the feedback of politicians' lobbying process, CNE can gain a clearer and in-depth understanding of the government's attitude and dynamics, and even if the lobbying fails this time, it can accumulate experience for the next lobbying. At the same time, politicians can act as a bridge between enterprises and the government, which helps to establish a good relationship with the government (Tyllström & Murray, 2021). When the CNE again comes up against a problem that needs the government's help, this lobbying network may come in handy. The resources needed for the intervention were mainly to find a group of good politicians and key intermediaries who knew the government well. Finding the right politicians can also be a key factor in lobbying success, since the quality of politicians varies. The advantage of this intervention is that it can help enterprises establish a good relationship with the government, and once the lobbying is successful, it is very beneficial to the future development of enterprises. The disadvantage is that the cost may be high, and the effectiveness cannot be guaranteed. The intervention style is mainly advising. Again, this intervention cannot be analyzed using a 3D model.

## **2.3 Demonstration of understanding of sustainability/ethical theories**

Both interventions are sustainable. Firstly, because CNE's partnership with Hard Rock is ongoing, CNE should keep an eye on what's going on with the partner. However, there may be an unethical risk in the information acquisition phase, after all, stealing confidential information from the other party is not consistent with normal ethical standards. However, the competition rule of modern society is that whoever has the information can have a clearer grasp of the market and the situation. As long as the information acquisition process does not harm the interests of others, the information obtained through proper means is considered desirable in this study. Secondly, lobbying government departments is also sustainable, because once the government's policy dynamics are mastered, enterprises can adjust their industrial layout and strategies in advance for new policies to reduce resource misallocation. However, this

process may cause the public to misunderstand the collusion between the government and business, and some people may suspect that the company bribed the government, which has certain ethical problems (Bennedsen, Feldmann & Lassen, 2009). But as long as the CNE sticks to its bottom line and does not exploit its government connections for profit, none of these problems will cause much negative impact.

### 3. Conclusion

In a word, the Burke and Litwin Change Model is the most suitable theoretical analysis tool Model by comparing the advantages and disadvantages of the four diagnostic models and their suitability with CNE cases. Through the application analysis of the model, this study found that the two major difficulties in the implementation of the CNE case are the suspension of cooperation negotiations caused by the acquisition of Hard Rock by the Florida Tribe and the chaos caused by the pending state approval. To solve these two problems, this study proposes the intervention measures that the leadership team needs to backtrack potential partners before the project starts and fund lobbyists to lobby government personnel. Finally, the moral and ethical problems of these two interventions are briefly analyzed.

### References

- [1] Bennedsen, M., Feldmann, SE., & Lassen, DD. (2009). Strong firms lobby, weak firms bribe: A survey-based analysis of the demand for influence and corruption. *Weak Firms Bribe: A Survey-Based Analysis of the Demand for Influence and Corruption* (November 9, 2009).
- [2] Carlin, J., Dean, A., Kern, D., Searcy, R., & Stanley, JW. (2011). Changing the Game at Cherokee Nation Entertainment. 17(3), 23-40.
- [3] Cummings, TG, & Worley, CG. (2005). *Organization development*. Mason, OH: Thomson South-Western.
- [4] Crainer, S. (2000). *The management century: A critical review of 20th century thought and practice*. Jossey-Bass.
- [5] Jacobs, H., & Ettore, B. (1993). Evaluating potential foreign partners. *Management Review*, 82(10), 59.
- [6] Jones, BB., & Brazzel, M. (Eds.). (2012). *The NTL handbook of organization development and change: Principles, practices, and perspectives*. John Wiley & Sons.
- [7] Martins, N., & Coetzee, M. (2009). Applying the Burke-Litwin model as a diagnostic framework for assessing organizational effectiveness. *SA Journal of Human Resource Management*, 7(1), 1-13.
- [8] Tyllström, A., & Murray, J. (2021). Lobbying the Client: The role of policy intermediaries in corporate political activity. *Organization Studies*, 42(6), 971-991.