

# Essay.

J O D I E  
F F I O N  
B L A C K

2 4 1 6 9 9 5

**PEOPLE & ORGANISATIONS**  
**BMMB4006**

H E L E N   E V A N S

S U B M I S S I O N   D E A D L I N E :  
6 T H   D E C E M B E R   2 0 2 4

|                                                                      |          |
|----------------------------------------------------------------------|----------|
| <b>Preparing Employees for Change: A Case Study of StitchCo.....</b> | <b>3</b> |
| Conclusion.....                                                      | 6        |
| <b>Reference List.....</b>                                           | <b>8</b> |

## Preparing Employees for Change: A Case Study of StitchCo

### Preparing Employees for Change: A Roadmap for StitchCo's Success

Change is an ongoing and vital element of organisational growth, particularly in industries characterised by volatility and intense competition. StitchCo, a family-run garment manufacturer operating with a traditional Tayloristic management approach, recently initiated sweeping changes to address financial changes to address financial instability and adapt to a volatile, uncertain, complex and ambiguous (VUCA) environment. These changes included the introduction of automation, distributed leadership, new performance metrics, and upskilling initiatives. However, the transformation faced notable obstacles, including inadequate training, poor communication, resistance to change, and conflicts between groups.

This essay explores how StitchCo can better prepare employees for change, critically analysing the impact of organisational change, cultural transformation, communication, and leadership styles on performance. By tackling the weakness of its recent change initiative, StitchCo can establish a lasting framework for future success.

Organisational change takes place when a company undergoes a significant transformation that influences the majority or all of its workforce. Such change is extensive, as it affects the organisation's culture, infrastructure, technologies, or internal operations (Macneil, 2024). Tanner (2024) suggests change often generates resistance when employees perceive threats to their job security, status, or familiarity with existing systems. At StitchCo, the transition from manual labour to automation caused unease among employees who feared job displacement. Resistance led to poor attendance and reduced output, highlighting the importance of managing both technical and emotional dimensions of change.

Employees undergoing change experience a range of emotions, from fear and anxiety to optimism and engagement. According to Lewin's (1951 as cited in Malik, 2024) Change Management Model, effective transitions require organisations to "unfreeze" old habits, implement new processes, and "refreeze" these changes into stable routines. StitchCo failed to adequately unfreeze its employees' attachment to traditional practices, resulting in resistance and poor morale.

Resistance to change is a natural response but can be weakened through strategies such as transparent communication, employee involvement, and continuous support (Olmstead, 2024). Torrance (2024), suggests engaging employees in decision-making and establishing continuous feedback loop during change fosters a sense of ownership and helps minimise resistance. StitchCo's limited consultation

with employees and trade unions before implementing changes created a sense of exclusion and mistrust.

StitchCo's traditional culture, based on hierarchical decision making and piecework incentives, conflicted with the collaborative mindset needed for distributed leadership and technological innovation. Sharma (2024) states that cultural transformation is crucial to organisational success. Furthermore, by nurturing positive company cultures, encouraging innovation, and improving digital and customer experiences, businesses can drive substantial growth and boost employee satisfaction.

Culture influences how employees view and react to change. Moreover, a strong, flexible culture promotes innovation and agility, whereas a non-flexible, traditional culture hinders transformation (Schein, 2010). StitchCo's hierarchical culture prioritised efficiency and individual output over collaboration and flexibility. This created high levels of rivalry and disputes when employees were required to work in teams and adapt to new performance metrics.

To foster a culture of adaptability, StitchCo should have prioritised continuous learning. Continuous learning is the ongoing process of consistently developing and acquiring new skills and knowledge (Andreev, 2024). It involves actively seeking out opportunities to learn, adapt, and grow in response to new information, experiences and changing environments. Rutkowski (2023) suggests that this approach brings several benefits, including increased productivity and higher quality of work. Furthermore, it also boosts employee morale and motivation, fosters enhanced creativity and innovation, and promotes greater adaptability to change. Ultimately these improvements lead to better customer satisfaction. Offering thorough training on new technologies and cultivating a culture that treats mistakes as learning opportunities can help diminish resistance and boost confidence.

Effective cultural transformation depends on aligning organisational values with strategic objectives. For instance, StitchCo can demonstrate how automation improves product quality and supports job security, connecting technological advancements to the company's long-term sustainability. By emphasising shared goals, leaders can foster a sense of purpose and collective dedication.

Clear and effective communication is fundamental to successful change management. At StitchCo, communication gaps led to employee frustration, confusion, and resistance. Addressing these gaps demands a thoughtful, multi-dimensional communication strategy.

Effective business communication is essential for a smoothly operating organisation. Janet (2024) proposes it helps avoid misunderstandings, streamline processes, promotes a positive work environment, and boost the overall efficiency and productivity of the business. Employees require clear explanations regarding the reasons for change, how they will be carried out, and the benefits the changes will

bring. StitchCo's managers must offer regular updates and address any misconceptions related to automation and job security.

Two-way communication allows organisations to recognise and address employee concerns. StitchCo should have created feedback channels, such as surveys, focus groups and meetings, to ensure employees feel listened to and appreciated. Two-way communication is essential for fostering trust among employees, aligning organisational goals, and maintaining productivity (Postelnyak, 2022).

Westover (2023), suggests acknowledging and reinforcing positive behaviour in the workplace is an effective strategy for managers aiming to encourage a positive work culture, motivate employees, and enhance performance. Additionally, by adopting these practices, managers can demonstrate to employees that their efforts and contributions are valued, leading to higher job satisfaction, engagement and retention. StitchCo could showcase success stories of employees who successfully transitioned to new roles or met team performance goals. This kind of recognition inspires others to embrace change.

Leadership plays a crucial role in how effectively organisations manage change. StitchCo's move from hierarchical to distributed leadership marks a major shift in managerial approach. Although distributed leadership fosters collaboration and innovation, it requires clear structures and support to be successful.

Distributed leadership empowers employees at every level to take initiative and make decisions, fostering a sense of ownership and responsibility (Bolden, 2011). However, StitchCo's failure to intervene in resolving team disputes and its dependance on teams to handle pay-related conflicts independently resulted in frustration and lower productivity. Leaders need to offer guidance, mediate conflicts, and ensure accountability while allowing for flexibility.

Transformational leaders motivate employees by sharing a compelling vision, building trust, and offering personalised support (Bass, 1990). At StitchCo, transformational leaders could be instrumental in inspiring employees to adopt new technologies and practices by presenting change as a chance for growth and innovation.

Training is a crucial element of change management. Employees at StitchCo faced difficulties operating new machinery due to insufficient training. A comprehensive training program should include hands-on practice, troubleshooting support, and continuous learning opportunities. Collaborating with technology providers for specialised training can boost employees confidence and skills.

Automation triggers concerns about job loss. StitchCo needs to address these concerns through open communication and proactive steps, such as job redesign

and career development opportunities. For instance, employees affected by automation could be retrained for positions in quality assurance, maintenance or data analysis.

The implementation of pay-related targets increased tensions within teams, hindering collaboration. StitchCo should shift from individual incentives to team based performance metrics that reward collective achievements. Team-building activities, conflict resolution training, and a shared emphasis on organisational goals can further minimize rivalries.

To address communication gaps, StitchCo should establish a structured communication plan that includes regular updates, feedback channels, and one-on-one meetings. Managers should actively engage with employees, offering clarity and reassurance throughout the change process.

To achieve sustainable change at StitchCo, several strategies need to be implemented. First, a comprehensive change management framework should be established, using Kotter's (1996) Eight Steps for Leading Change to guide the transition. Involving employees in planning and decision making is key as it encourages ownership and reduces resistance. Furthermore, investing in continuous learning is crucial for fostering a culture of continuous development. Strengthening leadership is also important; nurturing leadership skills among managers will enable them to motivate and support employees throughout the change process. Finally, monitoring and evaluation through data analytics will enable tracking of progress, identify challenges, and adjustments to strategies as needed.

## Conclusion

Preparing employees for change requires a comprehensive approach that considers technical, cultural, and emotional aspects. StitchCo's challenges in implementing automation and distributed leadership underscore the need for strategic communication, through training and flexible leadership. By fostering a learning culture, aligning values with organisational objectives, and empowering managers to lead effectively, StitchCo can develop a resilient workforce capable of facing future challenges. Effective change management is not merely a response to external pressures but a pro-active commitment to achieving long-term success.

## Reference List

Andreev, I (2024) 'Continuous learning'. *Valamis*. Available at: <https://www.valamis.com/hub/continuous-learning> [Accessed: 29th November 2024].

Bass, B.M. (1990) 'From transactional to transformational leadership: Learning to share the vision', *Organizational dynamics*, 18(3), pp. 19–31. Available at: [https://doi.org/10.1016/0090-2616\(90\)90061-S](https://doi.org/10.1016/0090-2616(90)90061-S). [Accessed: 2nd December 2024].

Bolden, R. (2011) 'Distributed Leadership in Organizations: A Review of Theory and Research', *International journal of management reviews : IJMR*, 13(3), pp. 251–269. Available at: <https://doi.org/10.1111/j.1468-2370.2011.00306.x>. [Accessed: 2nd December 2024].

Janet (2024) 'Why is communication important in business?' *broadly*. Available at: <https://broadly.com/blog/communication-important-business/> [Accessed: 1st December 2024].

Kotter, J (1996) 'The 8 Steps for Leading Change'. *Kotterinc*. Available at: <https://www.kotterinc.com/methodology/8-steps/> [Accessed 2nd December 2024].

Macneil, C (2024) 'How to navigate organisational change'. *Asana*. Available at: <https://asana.com/resources/organizational-change> [Accessed: 28th November 2024].

Malik, P (2024) 'Lewin's 3-Stage Model of Change Theory: Overview'. *Whatfix*. Available at: <https://whatfix.com/blog/lewins-change-model/#:~:text=Lewin's%20three%20stages%20of%20change.and%20adopting%20the%20desired%20change>. [Accessed: 28th November 2024].

Olmstead, L (2024) 'Resistance to Change: 7 Causes & How to Overcome Them'. *Whatfix*. Available at: <https://whatfix.com/blog/causes-of-resistance-to-change/> [Accessed: 28th November 2024].

Postelnyak, M (2022) 'Two-Way Communication: Importance and Best Practices'. *contactmonkey*. Available at: <https://www.contactmonkey.com/blog/two-way-communication?busvalue=BV3> [Accessed: 1st December 2024].

Rutkowski, A (2023) 'What is a learning organisation and how to achieve it?' *sonalake*. Available at:  
<https://sonalake.com/latest/what-is-a-learning-organisation-and-how-to-achieve-it/>  
[Accessed: 29th November 2024].

Schein, E.H. (2010) *Organizational culture and leadership*. 4th ed. San Francisco: Jossey-Bass.

Sharma, R (2024) 'Cultural Transformation Success Stories: Inspiring Examples from 2024' *Digitalexperience.live*. Available at:  
<https://www.digitalexperience.live/inspiring-2024-cultural-transformation-successes>  
[Accessed: 28th November 2024].

Tanner, R (2024) 'Organisational Change: 8 Reasons Why People Resist Change'. *Managementisajourney*. Available at:  
<https://managementisajourney.com/organizational-change-8-reasons-why-people-resist-change/#resistchange-why> [Accessed: 28th November 2024].

Torrance, L (2024) 'The Link Between Change Management and Employee Engagement' *prosci*. Available at:  
<https://www.prosci.com/blog/change-management-employee-engagement>  
[Accessed: 28th November 2024].

Westover, J.H (2023) 'Boost Morale and Motivation: Strategies for Recognizing and Reinforcing Positive Behavior' *innovativehumancapital*. Available at:  
<https://www.innovativehumancapital.com/article/boost-morale-and-motivation-strategies-for-recognizing-and-reinforcing-positive-behavior> [Accessed: 1st December 2024].