

Strategic Change Management Report: Navigating Digital Disruption and Revitalising the Brand

Student Name: Dan Bajenaru

Student Number: 2129380

Modul Name: Research Methods for Business

Module Code: LCLM6003

Lecturer: Nishi Ramsurrun

Table of Contents

Executive Summary	3
1.0 Introduction	4
2.0 Strategic Position and Environmental Analysis	4
2.1 PESTLE Analysis: The External Triggers.....	4
2.2 Competitor Benchmarking and Digital Disruption.....	6
2.3 SWOT Analysis Narrative	6
3.0 Critical Evaluation of Change Management Models	7
3.1 Critique of Lewin's 3-Stage Model (Unfreeze – Change – Refreeze)	7
3.2 Critique of Kotter's 8-Step Model	7
3.3 The Change Kaleidoscope (Balogun & Hope Hailey).....	8
3.4 The McKinsey 7S Framework.....	8
3.5 The Psychological Contract (Rousseau).....	8
4.0 Evaluation of Leadership and Organisational Culture	9
4.1 Leadership Analysis: From Transactional to Transformational.....	9
4.2 Organisational Culture (Handy's Typology).....	9
4.3 The Cultural Web (Johnson & Scholes)	10
5.0 Proposed Change Management Plan: "Project Symbiosis"	10
5.1 Strategic Objectives (SMART).....	10
5.2 Implementation Model: ADKAR	11
5.3 Communication Plan	11
5.4 Financial Plan (Indicative Budget).....	12
5.5 Risk Management (Risk Register)	12
5.6 Project Timeline (Gantt Chart Narrative).....	13
5.7 Evaluation and Metrics	13
6.0 Conclusion and Recommendations	14
Recommendations to the Board:	14
7.0 References.....	15

Executive Summary

This report serves as a critical strategic intervention for Marks & Spencer (M&S), a heritage British retailer currently navigating a volatile period of digital disruption, economic instability, and shifting consumer behaviours. The primary objective is to critically evaluate the internal and external drivers of change and to propose a robust, theoretically grounded Change Management Plan to secure the organisation's commercial future.

The analysis identifies that while M&S possesses strong brand equity, particularly in its Food division (which delivered a market-leading performance in 2024), the Clothing & Home (C&H) sector remains threatened by an "omnichannel gap"—the disconnect between its physical estate and digital capabilities. The report utilizes PESTLE and SWOT frameworks to diagnose these triggers, highlighting the rise of AI-driven fast fashion, the "Amazon effect" on logistics, and the specific pressures of the post-Brexit supply chain on margin recovery.

Furthermore, a critical review of change management literature—specifically contrasting Kotter's 8-Step Model, Lewin's 3-Stage Model, and the McKinsey 7S Framework—reveals that previous transformation attempts at M&S failed due to a lack of alignment between "Strategy" and "Shared Values." The report argues that the organisation is suffering from a legacy "culture of perfectionism" that stifles the agility required for digital adoption.

Consequently, this report proposes "**Project Symbiosis**," a strategic initiative designed to integrate AI-driven inventory management and personalisation tools directly into store-level operations. The plan applies the ADKAR model to ensure staff adoption, supported by a detailed communication strategy, a £30.5m investment plan, and a comprehensive Risk Register. The report concludes that without this radical cultural and technological shift, M&S risks obsolescence in the modern retail landscape.

1.0 Introduction

Marks & Spencer (M&S) is an institutional pillar of the UK retail sector, established in 1884. Operating under a dual-business model of premium Food and Clothing & Home (C&H), the organisation has historically defined the "middle market" of British retail. For decades, M&S relied on a strategy of unparalleled quality and British provenance, creating a loyal but aging customer base. However, the last decade has represented a period of existential turbulence, characterized by a slow response to the rise of e-commerce and the fast-fashion cycle.

Despite a recent resurgence in share price under the current leadership of Chairperson Archie Norman and CEO Stuart Machin, the organisation faces a structural challenge: modernising a legacy physical infrastructure in a digital-first economy. The "Reshape for Growth" strategy currently in place aims to rotate the store estate and modernize the supply chain, yet the pace of execution in the Clothing division remains a concern for investors.

The rationale for this report is predicated on the urgent need for strategic transformation. The Board of Directors has rightly identified that the traditional "bricks-and-mortar" approach is insufficient to combat the "phygital" (physical + digital) strategies of agile competitors. The organisation is at a tipping point: it must bridge the gap between its heritage values and the demands of AI-driven retail.

As the newly appointed Change Manager, this report will not merely identify operational inefficiencies but will interrogate the cultural rigidity that has historically stifled innovation. The scope of this report includes:

1. **Diagnostic Analysis:** A deep dive into the macro-environmental triggers (PESTLE) and competitive threats.
2. **Theoretical Evaluation:** A critical review of change management models (Lewin, Kotter, Balogun & Hope Hailey) to determine the best fit for M&S.
3. **Cultural Audit:** An analysis of leadership styles and the "Cultural Web" to identify resistance points.
4. **Strategic Plan:** The formulation of "Project Symbiosis," a costed, time-bound plan to integrate AI into store operations.

2.0 Strategic Position and Environmental Analysis

To formulate a robust strategy, one must first diagnose the "Triggers for Change." This section applies macro-environmental (PESTLE) and micro-environmental analyses to understand the pressures forcing M&S to evolve.

2.1 PESTLE Analysis: The External Triggers

Political Factors:

The post-Brexit landscape continues to exert asymmetric pressure on M&S's supply chain compared to purely domestic rivals. With a sizeable portion of food and textiles imported, non-

tariff barriers and increased "red tape" have raised operational costs. The introduction of the *Windsor Framework* has alleviated some friction with Northern Ireland trade, but the administrative burden remains high. Furthermore, the political instability regarding business rates in the UK High Street remains a major contention point. The government's reluctance to radically reform rates disproportionately affect M&S, which maintains a vast portfolio of large-format town-centre stores, compared to online-only rivals like ASOS who pay lower rates on out-of-town warehouses.

Economic Factors:

The UK retail environment is characterized by persistent "stagflation" pressures. Although CPI inflation has stabilised from the double-digit peaks of 2023/24, the cost-of-living crisis has permanently altered consumer behaviour. M&S operates in the "squeezed middle." Customers are becoming increasingly promiscuous, trading down to discounters (Aldi/Lidl hold ~18% combined grocery share) for essentials, or trading up to luxury brands for investment pieces. M&S must justify its price premium through "value," which is increasingly difficult when real disposable income is stagnant. The "Lipstick Effect"—where consumers buy small affordable luxuries during downturns—benefits the M&S Food Hall, but the Clothing division struggles to convince cash-strapped families to purchase big-ticket items.

Social Factors:

Demographic analysis reveals a critical tension. The core M&S customer is aged 55+, a demographic with high loyalty but declining long-term purchasing power. Conversely, Gen Z and Millennials often view the M&S clothing brand as "outdated" or strictly for "workwear," despite successful collaborations like the Sienna Miller range. The social trigger for change is the necessity to attract younger cohorts without alienating the core base—a balance M&S has historically struggled to strike. Furthermore, the post-pandemic shift to "hybrid working" has permanently reduced footfall in city centres on Mondays and Fridays, forcing M&S to rethink the viability of its commuter-hub locations.

Technological Factors (The Primary Disruptor):

This is the most significant driver for the proposed change plan. The retail sector is undergoing a "Fourth Industrial Revolution."

- **AI & Predictive Analytics:** Competitors like Shein and Zara utilise real-time predictive analytics to forecast micro-trends weeks in advance. M&S has historically relied on retrospective sales data (what sold last year) to plan future stock. This lag leads to stock surpluses and heavy discounting, which erodes brand equity.
- **The "Amazon Effect":** Consumer expectations regarding logistics have shifted. Next-day delivery, seamless returns, and real-time stock visibility are now hygiene factors. M&S's legacy logistics infrastructure, while improving, still struggles to match the speed and cost-efficiency of pure-play digital rivals.
- **Hyper-Personalisation:** Data is the new currency. M&S has a goldmine in its "Sparks" loyalty program (18m+ members), but it has historically failed to leverage this data to offer the level of personalisation seen at competitors like Tesco (Clubcard) or Amazon.

Legal Factors:

New legislation regarding employment law significantly impacts the bottom line of a labour-intensive business with 60,000+ colleagues. The consistent increases in the National Living

Wage (rising to over £11.44) compel M&S to find efficiency savings through technology to protect margins. Additionally, the tightening of digital data laws (GDPR) complicates how M&S can use its "Sparks" loyalty data for personalisation, requiring a robust governance framework within any new digital change plan.

Environmental Factors:

Sustainability is no longer a "nice-to-have", but a commercial imperative driven by the *Environment Act 2021*. The "circular economy" trend challenges the traditional linear retail model. New ESG reporting standards regarding Scope 3 emissions require M&S to have full visibility of its supply chain, necessitating a digital overhaul of supplier management under the "Plan A" roadmap. Investors are increasingly linking capital availability to ESG performance, making sustainability a financial necessity.

2.2 Competitor Benchmarking and Digital Disruption

The impact of the digital shift cannot be overstated. To understand the urgency, we must benchmark M&S against its primary competitors:

M&S vs. Next PLC:

Next is widely considered the "gold standard" of UK omnichannel retail. Their "Total Platform" allows them to fulfil orders for third-party brands (like Gap and Reiss) with immense speed. By contrast, M&S's logistics network is still in transition from a store-replenishment model to a direct-to-consumer model. The "change gap" here is logistical agility. Next derives over 50% of its sales online; M&S is chasing this target but is hampered by its physical legacy.

M&S vs. Inditex (Zara):

Zara's business model relies on a rapid feedback loop where store data dictates manufacturing in real-time. M&S has traditionally operated on a seasonal buying cycle (buying stock 6 months in advance). In an era of micro-trends driven by TikTok, M&S's model is too slow, resulting in the "markdown cycle" that erodes profitability. "Project Symbiosis" aims to close this gap by giving M&S real-time data visibility closer to that of Zara.

2.3 SWOT Analysis Narrative

- **Strengths:**

M&S possesses enviable brand heritage and the highest trust score in UK retail. The Food Division is a market leader in innovation (e.g., the 'Dine In' proposition). The Sparks Card, with 18m+ members, represents a potent, under-utilised asset.

- **Weaknesses:**

The legacy IT infrastructure creates disconnected systems between stores and HQ. A "siloed culture" persists, creating an "us vs them" mentality between Food and Clothing. The store portfolio remains burdened by large, older high street estates that are expensive to heat and maintain.

- **Opportunities:**

"Project Symbiosis" offers the chance to integrate AI into daily store ops, turning staff into data-empowered consultants. Expanding third-party brands (selling Jaeger/Adidas) increases basket size.

- **Threats:**

Pure-play rivals (Shein/Temu) are eroding market share at the value end. Global supply chain instability (Red Sea crisis) threatens stock availability. Cyber security risks remain high as the business digitizes.

3.0 Critical Evaluation of Change Management Models

Change management is not a linear process but a complex interplay of strategy, structure, and human behaviour. This section critiques academic models to evaluate their utility for M&S, arguing that standard "textbook" applications have previously failed the organisation.

3.1 Critique of Lewin's 3-Stage Model (Unfreeze – Change – Refreeze)

Kurt Lewin's foundational model suggests that for change to occur, the equilibrium must be destabilised.

- **Theoretical Critique:** While Lewin's model is conceptually simple, it is arguably **too static** for the 2025 retail landscape. The concept of "Refreezing" implies a return to stability. In the current digital economy, organisations can rarely afford to "Refreeze"; they must remain in a state of "continuous flux" or "fluidity" (Burnes, 2017).
- **M&S Context:** For M&S, aiming for a permanent "Refreeze" is dangerous. The "Never the Same Again" programme launched during COVID-19 was a forced "Unfreeze," but the organisation must now adopt a culture of constant evolution rather than seeking a new static state. The failure of the 2016 strategic review was partly due to an attempt to "settle" too quickly after restructuring. Therefore, while Lewin is useful for the initial shock, it is insufficient for long-term digital integration.

3.2 Critique of Kotter's 8-Step Model

John Kotter's model offers a prescriptive roadmap, often utilised by corporate leadership.

- **The M&S Disconnect:** M&S has successfully executed the early steps: **Creating Urgency** (the "burning platform" narrative) and **Forming a Guiding Coalition** (the Norman/Machin leadership team). However, the breakdown historically occurs at Step 5 (**Empower Action**) and Step 8 (**Anchor in Culture**).
- **Critical Flaw:** Kotter's model is predominantly top-down. It treats staff as entities to be "persuaded" rather than active participants. In a service environment where the customer experience is delivered by store colleagues, a top-down directive to "be digital" often leads to disengagement. Store staff often feel that Head Office initiatives are disconnected from the reality of the shop floor. This report argues that M&S needs a more emergent approach that allows store staff to shape *how* they use the new tools.

3.3 The Change Kaleidoscope (Balogun & Hope Hailey)

A more nuanced model for M&S is the Change Kaleidoscope, which analyses the *context* of change rather than just the process.

- **Time:** M&S is in a crisis of time; competitors are moving faster. This necessitates a "Big Bang" approach in technology, but an "Evolutionary" approach in culture.
- **Scope:** The scope is "Realignment" rather than "Transformation" of the core values (Quality/Service), but a total "Transformation" of the operating model.
- **Preservation:** Crucially, M&S must *preserve* its reputation for service. Any change that replaces human service with automation (e.g., fully automated checkouts with no staff) risks destroying the core competitive advantage.
- **Diversity:** The workforce is diverse (from 16-year-old Saturday staff to 60-year-old veterans). A "one size fits all" change plan will fail. The implementation strategy must be segmented.

3.4 The McKinsey 7S Framework

To understand *why* previous changes at M&S failed, the McKinsey 7S framework is instrumental.

- **The diagnosis:** In the mid-2010s, M&S changed its **Strategy** (Digital First) and **Systems** (Website updates) but failed to address **Shared Values** and **Style**. The culture remained bureaucratic while the strategy demanded agility. This misalignment caused friction.
- **The Lesson:** "Project Symbiosis" must address the *Soft S's*. We cannot just install innovative technology (Systems) without changing the mindset (Shared Values) of the staff who use it. The "Style" of management must shift from command-and-control to coaching.

3.5 The Psychological Contract (Rousseau)

We must also acknowledge the psychological impact on staff. The traditional psychological contract at M&S was "Loyalty in exchange for Job Security." The store closures and restructuring have fractured this.

- **Impact:** Staff are sceptical. The introduction of AI tools is viewed through a lens of suspicion ("Is this tool training my replacement?").
- **Mitigation:** The change plan must explicitly rewrite the contract: "Adaptability in exchange for Employability." We must frame the training not just as good for M&S, but as upskilling that makes the employee valuable in the wider market.

4.0 Evaluation of Leadership and Organisational Culture

The success of any change initiative is contingent upon leadership style and the prevailing organisational culture.

4.1 Leadership Analysis: From Transactional to Transformational

The transformation at M&S illustrates a shift required in leadership paradigms.

- **Transactional Leadership (The Past):** Historically, M&S managers focused on operational compliance, hitting targets, and maintaining the status quo ("Management by Exception"). This style works in stable environments but fails during disruption. It created a culture where managers were afraid to deviate from the rulebook.
- **Transformational Leadership (The Present/Future):** The current leadership (Chairperson Archie Norman and CEO Stuart Machin) exhibits transformational traits. They challenge assumptions ("Intellectual Stimulation") and inspire a shared vision of a "reshaped" M&S ("Inspirational Motivation").
- **The Gap:** While the CEO is transformational, the middle-management layer (Store Managers) often remains transactional due to pressure to hit weekly targets. The change plan must convert these middle managers into change agents, or the vision will die before it reaches the shop floor.

4.2 Organisational Culture (Handy's Typology)

Charles Handy's model helps classify the cultural shift required:

- **From "Role Culture":**

M&S has historically been a classic "Role Culture" (Greek Temple structure)—hierarchical, bureaucratic, and rule-bound ("The M&S way"). Job descriptions were rigid, and authority was derived from position. This culture is slow to react to market changes and punishes risk-taking.

- **To "Task Culture":**

The digital environment demands a "Task Culture" (Net structure), where power is derived from expertise and the focus is on solving problems (projects) rather than following rules. "Project Symbiosis" requires cross-functional teams (Tech, Retail, Supply Chain) working together, which is antithetical to the old silos.

4.3 The Cultural Web (Johnson & Scholes)

To understand resistance, we analyse the paradigm at the centre of the Cultural Web.

1. **Stories:** The narrative at M&S has historically been "We are a national institution," referencing St Michael and the glory days. This breeds complacency. The new story must be "We are a challenger brand fighting for survival against global giants."
2. **Rituals & Routines:** Processes have been bureaucratic. Approvals for new product lines often took weeks. The change requires "Agile" routines—testing and learning rapidly.
3. **Symbols:** Historically, the Head Office in Paddington was a symbol of corporate detachment. The move to smaller hubs and the CEO walking the floor are new symbols. The "Handheld Device" must become the symbol of the new M&S, representing knowledge and power.
4. **Control Systems:** Previously focused on financial auditing and compliance. New controls must focus on *customer outcomes* and *data accuracy*.
5. **Power Structures:** Crucially, power is shifting from the "**Merchandisers**" (intuition-based decision making) to the "**Data Scientists**" (evidence-based). This loss of perceived status for long-standing buying teams creates significant resistance (cognitive dissonance) and must be managed delicately.
6. **Organisational Structure:** Moving from a tall hierarchy to a flatter structure to speed up communication.

5.0 Proposed Change Management Plan: "Project Symbiosis"

Project Title: Project Symbiosis

Goal: To fully integrate AI-driven inventory and personalisation tools into physical store operations by 2026, creating a seamless link between the Sparks data engine and the shop floor.

This plan addresses the "Technological" trigger identified in Section 2.0 and aims to resolve the "Power Structure" friction identified in Section 4.0 by empowering staff with data rather than replacing them.

5.1 Strategic Objectives (SMART)

1. **Specific:** Deploy handheld AI-assistants (running custom M&S software on Honeywell devices) to 100% of UK store floor staff. These devices will show real-time stock levels, predicted sales, and personalised offers for customers scanning their Sparks card.
2. **Measurable:** Reduce stock-holding costs by 12% and increase full-price sell-through by 8% annually. Reduce "time to find" for stock items by 40%.
3. **Achievable:** Utilise existing Microsoft partnership to scale technology (feasible within current IT infrastructure). The partnership with Tata Consultancy Services (TCS) also provides the necessary dev bandwidth.

4. **Relevant:** Directly improves the bottom line and addresses the "value" demand of customers by reducing markdown losses. It bridges the "Omnichannel Gap."
5. **Time-bound:** Pilot in twenty stores by Q1 2026; full rollout by Q4 2026.

5.2 Implementation Model: ADKAR

To avoid the pitfalls of top-down imposition, we will use the **ADKAR** model (Prosci) to manage the human side of change.

- **Awareness:** Campaign to explain *why* this change is happening. We must communicate that the "burning platform" is real. If we do not digitize, we lose to Amazon. The message is: "This technology secures your job; it does not replace it."
- **Desire:** Create incentives. "Gamify" the adoption process. Store teams that utilise the data tools most effectively to locate stock receive bonuses. Identify "Influencers" in each store (often not the managers, but popular long-serving staff) to champion the tech.
- **Knowledge:** The "M&S Digital Academy." A comprehensive training programme ensuring every staff member, regardless of age or tech-literacy, understands the new tools. This addresses the "Diversity" issue identified in the Change Kaleidoscope.
- **Ability:** On-the-floor coaching. "Digital Champions" will be appointed in every store to assist colleagues. We must provide "sandbox" environments where staff can practice with the devices without fear of making mistakes with live customer data.
- **Reinforcement:** Make it stick. Change the appraisal system to include "Digital Competency" as a key performance indicator. Celebrate "wins" where the tool helped a customer find an item that would otherwise have been lost sales.

5.3 Communication Plan

Lack of communication breeds uncertainty. A multi-channel approach is required, moving from "Tell" to "Engage."

Stakeholder	Key Message	Channel	Frequency
Board/Investors	ROI, Risk Mitigation, Future-proofing the stock model.	Steering Committee	Monthly
Store Managers	Operational efficiency, Leadership empowerment. Focus on how this hits targets.	Regional Webinars / Teams	Bi-Weekly
Floor Colleagues	"Making your life easier," "More time for customers," "Upskilling."	App Notifications / Huddles / "Town Halls"	Daily / Weekly
Trade Unions (USDAW)	Job security, health & safety of devices, training commitments.	Consultation Meetings	Monthly
Customers	Better availability, Personalisation, "High Tech, High Touch."	Social media / Email / In-store signage	Continuous

5.4 Financial Plan (Indicative Budget)

The following budget outlines the investment required for "Project Symbiosis."

Cost Centre	Description	Estimated (£m)	Cost
Hardware	Upgraded handheld terminals for 20,000 staff (Industrial grade)	£8.0m	
Software Dev	AI integration with Sparks Data (Internal/External dev time)	£12.0m	
Training	"Digital Academy" workshops, e-learning creation, relief staff cover	£4.0m	
Change Team	Consultants and Internal Project Leads (Salaries/Fees)	£2.5m	
Marketing	Internal comms and customer launch campaigns	£1.5m	
Contingency	Risk buffer (approx. 10%)	£2.5m	
TOTAL		£30.5m	

- **Cost of Inaction:** It is vital to contextualize this cost. If M&S continues to run with its current markdown levels (estimated at ~5% higher than Zara), the business loses approximately £80m-£100m annually in margin. Therefore, the ROI is achieved in Year 1.
- **Funding:** This will be funded through the "Reshape for Growth" capital expenditure budget already allocated for 2025/26.

5.5 Risk Management (Risk Register)

A responsible Change Manager must anticipate failure points.

Risk ID	Risk Description	Probability (1-5)	Impact (1-5)	Mitigation Strategy
R1	Staff Resistance: Older employees refusing to use devices (Cultural friction).	4	5	"Digital Buddy" system pairing young/old staff; Emphasize "Desire" phase of ADKAR; Redesign UI for accessibility (large fonts, simple flows).
R2	Data Breach: Customer data leak via devices.	2	5	Biometric login requirements; Enterprise-grade encryption (Microsoft partnership); Remote wipe capability.

R3	Software Failure: System downtime during peak trading (e.g., Christmas).	3	4	Offline mode capability (local caching); Rolling updates rather than "Big Bang" launch during Q4; 24/7 Support Desk.
R4	Customer Alienation: Staff looking at screens, not customers.	3	3	Training protocol: "Screen down when customer approaches." The device is a tool to <i>help</i> the conversation, not replace it.
R5	Union Action: Resistance to perceived changes in job roles.	2	4	Early consultation with USDAW; Explicit guarantees that AI efficiency will not lead to immediate redundancies.

5.6 Project Timeline (Gantt Chart Narrative)

- **Phase 1: Diagnosis & Design (Months 1-3):** Finalise software requirements with Microsoft. Establish the "Guiding Coalition" of regional managers. Conduct culture "pulse check" surveys to establish a baseline of resistance.
- **Phase 2: The Pilot (Months 4-6):** Launch in 20 "Beta Stores" (e.g., Leeds, Stratford, Manchester). These stores will be a mix of high-performing and struggling locations to test validity. Gather feedback loops (Agile methodology).
- **Phase 3: The Rollout (Months 7-18):** Regional deployment. Start with the North, moving South. Training teams deployed 2 weeks prior to go-live in each region. This phased approach mitigates R3 (Software Failure).
- **Phase 4: Integration & Evaluation (Months 19-24):** Move to "Business as Usual." Conduct full ROI analysis. Transition project team to permanent support roles.

5.7 Evaluation and Metrics

Evaluation must be continuous, not retrospective. We will utilize the **Balanced Scorecard** approach:

1. **Financial:** Markdown reduction %, Sales per square foot, ROI on hardware.
2. **Customer:** Net Promoter Score (NPS), Availability scores ("Did you find what you were looking for?").
3. **Internal Process:** Stock accuracy % (Aiming for 99%), Time-to-replenish.
4. **Learning & Growth:** Employee engagement scores (Pulse Surveys), Digital Literacy certification rates.

6.0 Conclusion and Recommendations

This report has critically evaluated the precarious position of Marks & Spencer in a digitally disrupted market. The analysis confirms that while external threats (AI, Economy, Competition) are severe, the internal threats (Culture, Legacy Systems, "Role Culture") are equally dangerous. The "Omnichannel Gap" between M&S and Next PLC is a clear and present danger to the solvency of the Clothing division.

The application of change management theory demonstrates that a purely structural change will fail. Kotter's linear steps are insufficient without addressing the psychological contract and the "Soft S's" of the McKinsey framework. The culture must evolve from "risk-averse" to "agile."

The proposed "Project Symbiosis" offers a concrete path forward. It is not merely a technology upgrade, but a vehicle for cultural transformation.

Recommendations to the Board:

1. **Approve the £30.5m Investment:** View this not as CapEx, but as the cost of survival. The cost of inaction is obsolescence.
2. **Authorize the "Digital Academy":** Prioritize staff upskilling to mitigate the "Kubler-Ross" resistance curve.
3. **Redefine the Psychological Contract:** Explicitly communicate that adaptability is the new loyalty.
4. **Lead from the Front:** The Board must be seen using these tools. Symbolic leadership is crucial to breaking the "Role Culture."

By leveraging the ADKAR model and Transformational Leadership, M&S can bridge the gap between its heritage and the digital future, ensuring it remains not just a fond memory of the British High Street, but a dynamic leader of its future.

7.0 References

- Balogun, J., Hope Hailey, V. and Gustafsson, S. (2015). *Exploring Strategic Change*. 4th ed. Harlow: Pearson Education.
- Bass, B.M. and Avolio, B.J. (1994). *Improving Organizational Effectiveness through Transformational Leadership*. Thousand Oaks, CA: Sage Publications.
- Burnes, B. (2017). *Managing Change*. 7th ed. Harlow: Pearson. Available at: <https://www.pearson.com> [Accessed 10 October 2025].
- Handy, C. (1993). *Understanding Organizations*. 4th ed. London: Penguin.
- Kaplan, R.S. and Norton, D.P. (1996). *The Balanced Scorecard: Translating Strategy into Action*. Boston: Harvard Business School Press.
- Kotter, J.P. (2012). *Leading Change, With a New Preface*. Boston: Harvard Business Review Press.
- Kübler-Ross, E. (1969). *On Death and Dying*. New York: Macmillan.
- Marks & Spencer PLC. (2025). *Annual Report and Financial Statements 2025*. [Online]. Available at: <https://www.google.com/search?q=https://corporate.marksandspencer.com/investors/annual-reports> [Accessed 12 October 2025].
- Rousseau, D.M. (1995). *Psychological Contracts in Organizations: Understanding Written and Unwritten Agreements*. Thousand Oaks, CA: Sage Publications.
- Schein, E.H. and Schein, P.A. (2016). *Organizational Culture and Leadership*. 5th ed. Hoboken, NJ: John Wiley & Sons.
- Whittington, R., Regnér, P., Angwin, D., Johnson, G. and Scholes, K. (2023). *Exploring Strategy: Text and Cases*. 13th ed. Harlow: Pearson. Available at: <https://www.pearson.com> [Accessed 14 October 2025].