



Prifysgol Cymru
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University of Wales
Trinity Saint David

LEVEL 7 ASSESSMENT SPECIFICATION

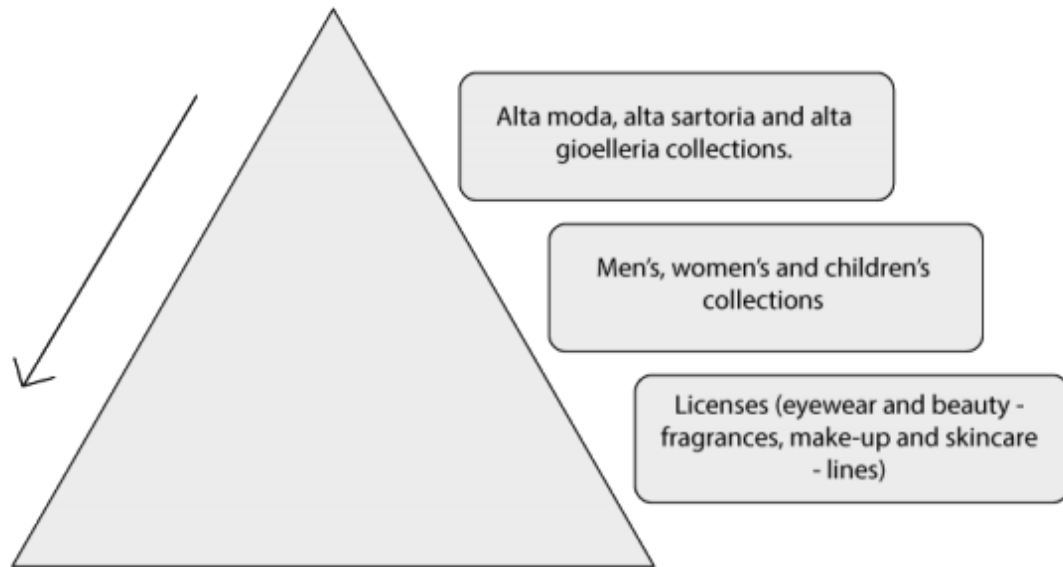
Student name:	Katy Lo	Student ID number:	2119646
Programme:	MBA		
Module:	Change & Stability Management		
Module code:	HKBM7015	Contribution to Overall Module Assessment (%):	25%
Lecturer:	Dr. Joe Leung	Internal Verifier:	Dr. Poon Cheong
Assignment Title:	Assessment 1 Presentation	Word count (or equivalent):	8-10 minutes (maximum)
Submission deadline:	3 April 2022	Return date of provisional marks & written feedback:	2 May 2022
Submission method:	All written assessments, where practical and possible, must be submitted via ~~Turnitin~~ unless otherwise instructed by the Lecturer. (Please DO NOT put this assessment specification into ~~Turnitin~~ or it will match many similarities with other students' submissions.) Alternative submission method (if applicable): Late submission of the assessment will result in a late penalty mark. Penalties for late submission: Up to one week late, maximum mark of 50%. Over one week late, 0%. Only the Extenuating Circumstances Panel may approve a change to submission dates.		



CHANGE & STABILITY MANAGEMENT

Katy Lo
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DOLCE & GABBANA



Dolce&Gabbana is a luxury fashion house, founded in Italy in 1985 by designers, Domenico Dolce and Stefano Gabbana.

Headquartered in Milano with 8 office locations across 6 countries – including, Italy, U.S, Japan, Brazil, Korea, **Shanghai, Hong Kong.**

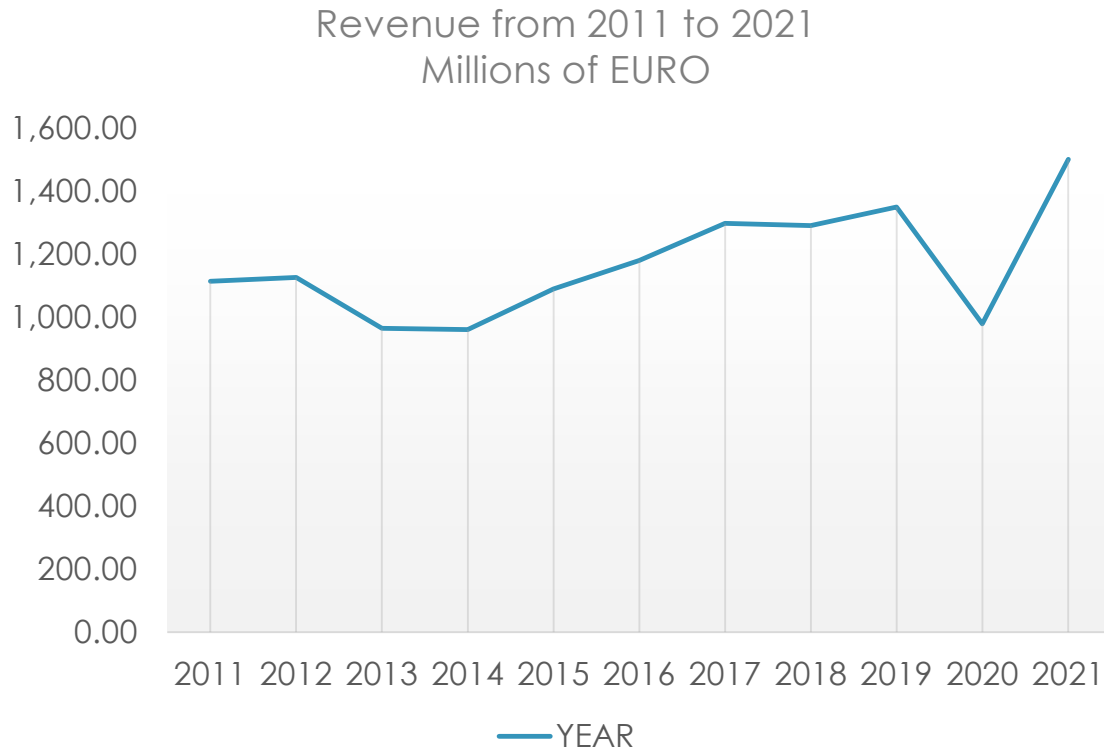
With 222 monobrand stores across 41 countries, with a full range of product offers.

CONTROVERSIAL ADVERTISING CAMPAIGNE IN 2018



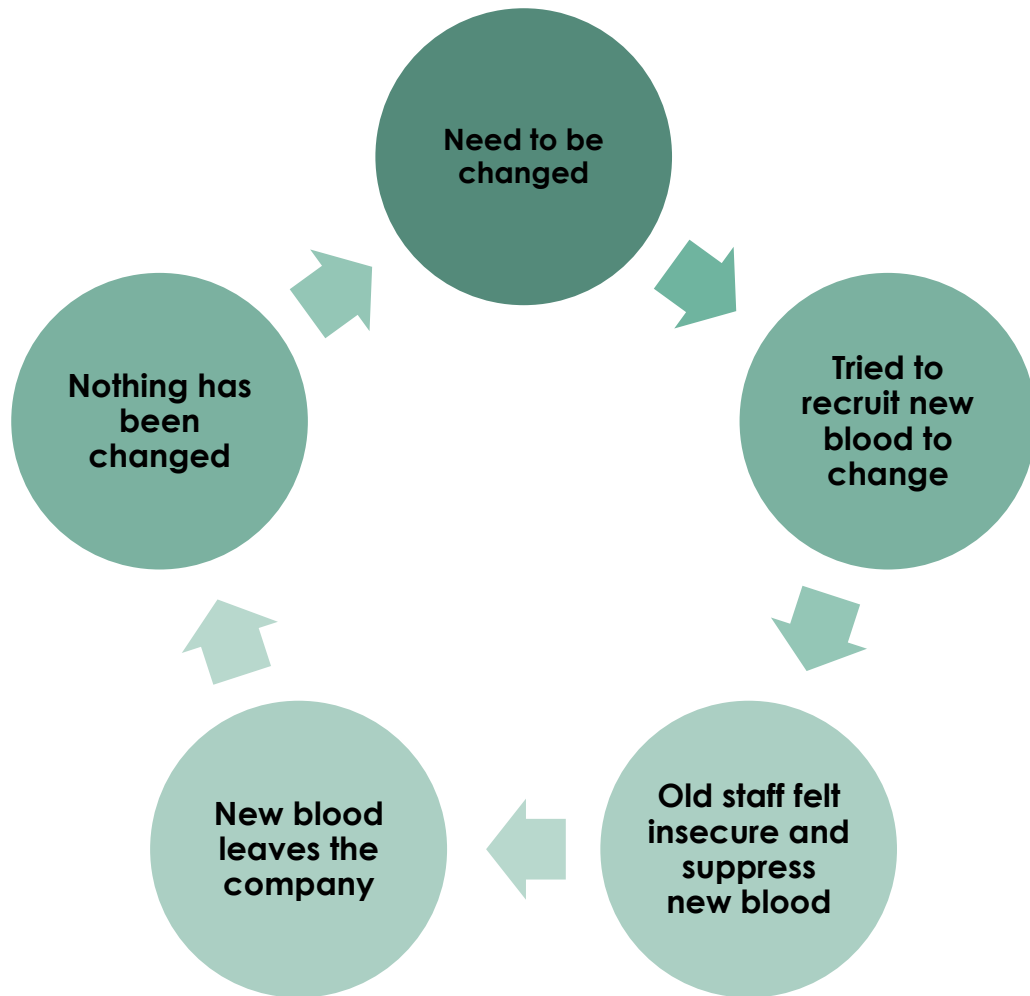
- An advertising campaign launched in 2018 to promote their upcoming fashion show "The Great Show" in Shanghai, that have invited 1,400 celebrities and media, local/ overseas to attend, with over 200 models showcasing the collection with over 300 looks
- An Asian model was eating Italian cuisine on the video with chopsticks, China social media users found it very offensive and racist, they started to leave comments on the brand's Instagram to express their anger
- Designer – Stefano Gabbana replied with offensive message towards comments on Instagram
- All celebrities have announced boycott Dolce&Gabbana and show has finally cancelled, e-commerce platforms like Secco and Tmall, Yoox Net-a-Porter has removed the brand products online
- China represents an estimated 30% of Dolce&Gabbana's revenue

CURRENT SITUATION



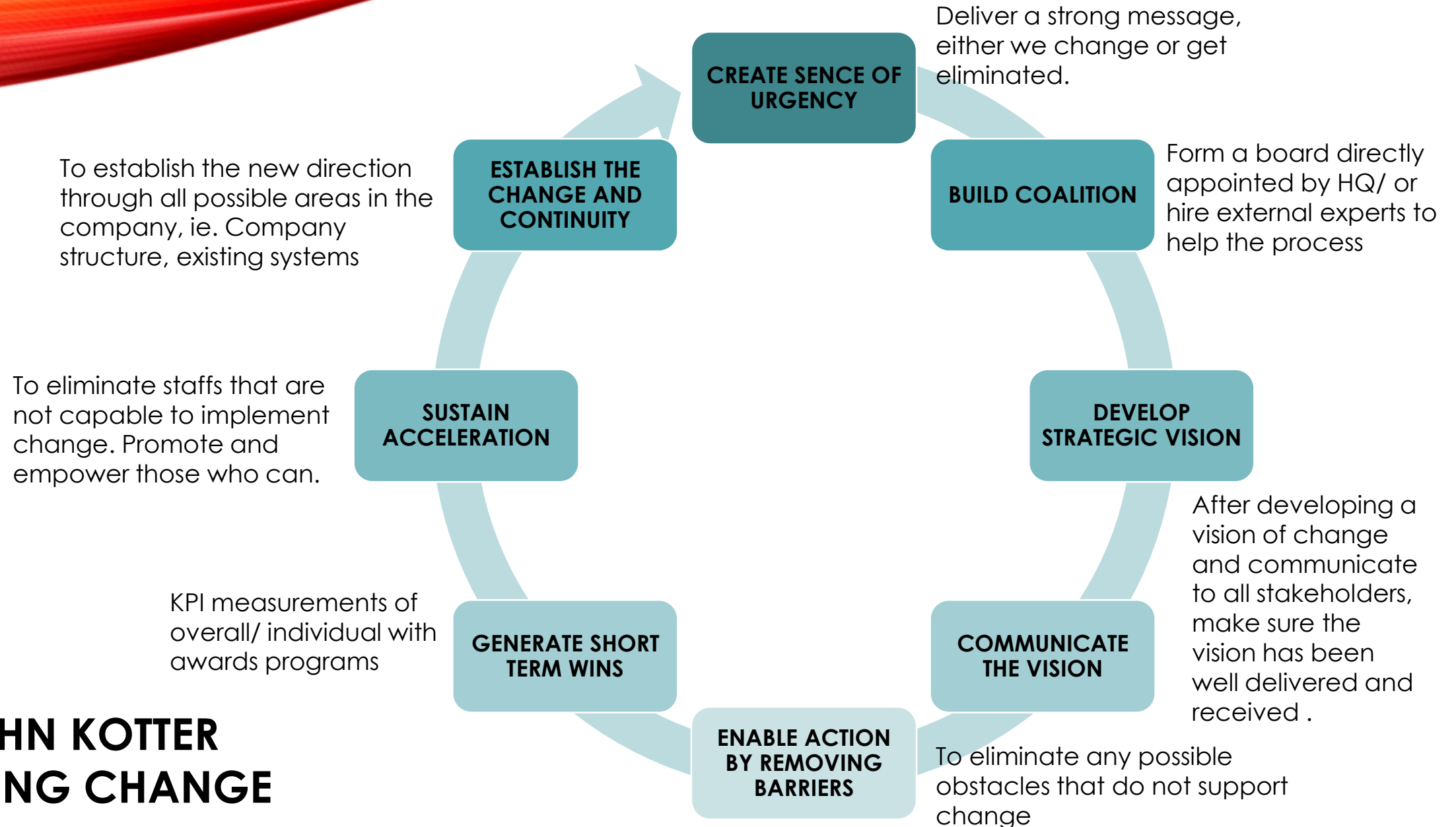
- Revenue in 2021 worldwide was €1.5 billion, despite 2019 – 2020, the revenue is quite stable.
- Sales in China have rebounded 20% in 2021, yet still way lower before the PR crisis happened
- The crisis did not only affect China market but APAC region including Hong Kong, SEA
- After 4 years, the brand is still struggling to fix the relationship with China

WHY THIS COMPANY NEEDS TO BE CHANGED?



- Core reason of why the PR crisis happened was because lacking of local insights or no one voices out to headquarter that the campaign can be damaging even they already knew
- Over 20% of the staffs have been working in Dolce&Gabbana HK and China branches for over 10 years and most of them are currently the management/ senior level of the company, they do not want to change
- While the turnover rates of mid to senior level positions, staff with around 5 to 12 years of experiences, were extremely high
- No new blood/ perspective were brought into the brand, outdated point of view
- Difficult to adapt external business challenges, especially rapid digitalization, omni channel that required innovative mindset

JOHN KOTTER LEADING CHANGE



MEASURE OF EFFECTIVENESS

According to Prosci, we would be able to measure the effectiveness of change from 3 big categories:

ORGANIZATIONAL PERFORMANCE

- Performance improvements
- Business and change readiness
 - Project KPI measurements
 - Benefit realization and ROI
 - Speed of execution

INDIVIDUAL PERFORMANCE

- Employee engagement measures and feedback
- Awareness and understanding of the change
 - Observations of behavioral change
- Employee readiness assessment results

CHANGE MANAGEMENT PERFORMANCE

- Training tests and effectiveness measures
- Communication deliveries and effectiveness
 - Performance improvements
 - Project KPI measurements
 - Speed of execution



SUSTAIN AND REINFORCE

**CONSTANT COMMUNICATION WITH
STAKEHOLDERS, TO UNDERSTAND THE
CHALLENGES THEY ARE FACING**

**DEVELOP PROCESS TO REINFORCE
CHANGE**

**DEPARTMENT THAT IS RESPONSIBLE TO
MONITOR THESE REINFORCE
PROCESSES**

REGULAR ASSESSMENTS



CONCLUSION

Accordingly to John Kotter, only 30% of change programs are successful, among all reasons of failure, “people resist to change” is one of the key factors. Insecurities for loss and unknown future/ Mistrust and fear of failure, etc. are reasons that people resist to change.

Do people naturally resist Change?

People do not resist change that they believe is in their best interests.

Developing change vision and communicate the vision, the more compelling the vision is, the more people believe that change is in their best interests. And the most they put their guards down and accept the change.

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THANK YOU!