# Study the Impact of Change Management on Neyshabour Municipality

Hasan Bakaian<sup>1</sup> and Hadi Movludian<sup>2</sup>

<sup>1,2</sup>Islamic Azad University of Neyshabour Islamic Republic of Iran

**Abstract**—Change Management can be of varying scope. From continuous improvement, that involves small ongoing changes to existing processes, to radical and substantial change involving organizational strategy. Change management can be reactive or proactive. It can be instigated in reaction to something in an organizations external environment, for example, in the realms of economics, political legislation, or competition, or in reaction to something within the processes, structures, people, and events of the organizations internal environment.

Neyshabour municipality is an urban administrative division having corporate status and powers of self-government or jurisdiction. The mayor is the head of this organization who were appointed by the city council.

The purpose of the study is thus to analyze the use of Change management control systems as organizational change strategies in development, employing a change perspective on management control and its Impact on Municipality of Neyshabour.

**Keywords**: Change Management, Development, Human Resource, mayor, city council.

### 1. INTRODUCTION

According to Handy's Understanding Organizations which wrote in 1976, described by publishers and commentators alike as a « landmark study» is equally valuable for the student of management and for the practicing manager. Among the subjects with which it deals are motivation, roles and interactions, leadership, power and influence, the workings of groups, and the culture of organizations.

Change Management usually follows five steps recognition of a trigger indicating that change is needed; clarification of the end point, or "where we want to be", planning how to achieve the change; accomplishment of the transition; and maintenance to ensure the change is lasting. Change may threaten to move us out of our 'comfort zone', away from those things which we prefer and enjoy. We develop vested interests in the perpetuation of organization structures and accompanying technologies. Change can mean loss of power, prestige, respect, approval, status and security (Huczynski and Buchanan, 2001). The team assigned to perform the egovernment project is a mixture of juniors and seniors programmers and analysts of CIO. The juniors are well related to the object orientation environment while the seniors are more related to the old fashion of line programming style. The seniors now, have to spend time to learn and implement the new tasks and procedures. It is totally new environment to them. In such a challenge, the seniors seemed losers. To help managers in their decision-making process in uncertain environments new techniques and theories are developed, one of them is the real option theory. This conceptual decisionmaking framework is about to become a standard (McGrath et al., 2004). The formal approach, originating with financial models, dealing with future uncertainty and the opportunities a firm canseize, is appealing for managers.

Lewin proposed a three stages theory of change, commonly referred to as unfreeze, move to a new level or transition (change) and refreeze (Figure 1) (5) and pointed out the actions taken by the organization (Table 1).



Figure 1. 3-stage model of Kurt Lewin

| Stages                          | Proceedings  |
|---------------------------------|--|
| Stage 1: Unfreezing             | Involves preparing the organization to accept that change is necessary, which disorders the existing status and to prepare the organization successfully, it is necessary to challenge the beliefs, values, attitudes and behavior that are currently defined (1).   |
| Stage 2: Change<br>(Transition) | After the assurance of change acceptance by employees and dissatisfaction from the status quo, it is necessary to use the knowledge, attitude, behavior and skills of specialists to solve the problems (11) and after analyzing the current situation, new processes and structures must be placed at the macro level to lead to the desired improvements (10). |
| Stage 3: Refreezing             | In this stage, we should be ensured that the new behavior is relatively safe from regression. No doubt, this stage often requires changes to organizational culture, norms, policies and practices (9).  |

Table 1. Proceedings in Kurt Lewin's model

In recent years, public service organizations across the globe have been engaged in strategies of institutional, organizational and managerial change in order to cope with increasing demands for greater financial accountability. On the whole, the aimof these changes is to overcome bureaucratic obstacles so thatmanagers can use their limited resources more efficiently .Since information is the most important resource needed in themanaging process, so, developing a comprehensive accountinginformation system fostered by the accruals introduction isnecessary

#### 2. SUMMARY OF STUDIES DOCUMENTING BEHAVIOR CHANGES

Research on six important accounting changes has documented evidence consistent with changes in operating and financing activities following the accounting changes. For five of the six changes examined the findings were relative to a control sample of firms unaffected by the accounting change. In two studies where a self-selection correction was included the correction resulted in a larger effect rather than a smaller one. The primary focus of these papers has been on the existence of a change rather than on the reason for the change. The results in these papers suggest that these changes in behavior may be eneficial in some circumstances but undesirable in others.

Organizations are continuously under pressure to adapt to changing circumstances, such as changing client wishes, new policy developments, and the introduction of social media (Josserand et al., 2006). Swift adaptation to changing conditions has always been considered crucial for the survival of private-sector organizations (Tushman and O'Reilly, 2013). However, nowadays a critical public opinion and shrinking budgets pose threats to the survival of public organizations as well, which requires them to change rapidly and profoundly (Kuipers et al., 2014; Van der Voet et al, 2013).

Training and development. It is expected that employees who experience training and development opportunities report higher levels of proactive behavior (Frese and Fray, 2001; Van Veldhoven and Dorenbosch, 2008). First, training opportunities may enhance employees' feeling of self-efficacy (Parker, 1998) defined as a someone's judgment of "how well one can execute courses of action required to deal with prospective situations" (Bandura, 1982, p. 122). By the same token, training possibilities may contribute to higher levels of control appraisal, defined as someone's feeling that one can actually influence work-related decisions (Frese and Fray, 2001). Lastly, training opportunities may stimulate feelings of responsibility for organizational success. Self-efficacy, control appraisal, and feelings of responsibility, in turn, result in proactive behavior (Frese and Fray, 2001).

In a similar vein, we expect that training and development opportunities stimulate employee vitality, since self-efficacy, control appraisal, and feelings of responsibility.

Relationship between proactivity and vitality. Lastly, we expect proactivity and vitality to be positively related. Specifically, we hypothesize that proactive employees feel energized by observing the positive outcomes of their proactive behavior (Shirom, 2011). Simultaneously, we expect that employees who experience higher levels of vitality are more likely to take action themselves to improve their work conditions or adjust to changing circumstances (Salanova and Schaufeli, 2008).

# **3.** CONCEPTUAL FRAMEWORK OF THE STUDY: NEED FOR A NEW PERSPECTIVE

Change models prevalent and which are in vogue suggest different approaches tochange. The three phases of Lewin's model account for change by unfreezing, changingand refreezing, which are assumed to take on automatic reaction among the participantsconsequent to the change efforts of the management. The model makes an oversimplifiedview of change by suggesting that the three movement phases take place in a mechanisticway (Sturdy and Grey, 2003). It is not easy and simple to unfreeze the learned habits andpatterns of behavior required for organizational change. It requires a well thought out anddeliberate effort on the part of the management and the consultant to bring about afundamental shift in the work patterns of members, which cannot be assumed to beautomatic and simple just as a machine changes its operations by reversing itsmovements. In the strict sense, unfreezing can mean 'making loose' or 'disentangling'the learned and expert behavior. Disentanglement is theoretically possible and can beaccomplished on paper whereas in practice it is seldom possible. Unfreezing is anindividual centered process that cannot be left to chance and without which changecannot be initiated. Action research model as a planned change intervention emphasizes cyclicalprocesses of research and action. The very cyclic nature distances the change participantsfrom the underlying purpose, objectives and ways. The iterative cyclical approachimparts a sense of automaticity and repetitiveness to an otherwise complex and multifaceted change program. The cyclical nature of research and action leaves behindvital and essential components of change thereby making the program half-completed, without much depth and substance. Moreover the action research program is highlyproblem centered and it may not extend to the entire gamut of organizational processes.

The microscopic approach projected in this model makes it a narrow focused activity with much duplication. The model of Gilley and Maycunich(2000) is circular in nature in thatassumptions lead to choices, which lead to commitments and actions, which again giverise to further assumptions, which are modified following reflections. The model presentsa barren perspective because of the superficial way it takes in operationalizing the changeprocesses. This cosmetic way of managing change does not go deep in understanding theidiosyncrasies involved in organizational change. The amorphous manner in which assumptions are made, making of choices, getting the commitments and bringing forwardactions may not be in tune with the real dynamics that are operative in any change program that includes the complex network of processes and activities of individuals, groups and organization as a whole.Robertson and his colleagues have proposed a model that clearly lacks depth andwhich excludes the micro variables of change. It has overlooked key and significant processes that contribute to change. In the macro conceptualization of change processesemphasizing social factors, physical setting, organizational arrangements and technologythat give rise to individual behavior, the trees are missed for the forest. The way theindividual behavior is evidenced is noteworthy. The individual behavior is given a centralimportance in the change program. However; the drawback is that individual behavioris considered to be a stagnant outcome. The dynamic individual behavior cannot directlyresult from the manipulation of static variables like physical setting, or technology.Moreover in any meaningful change program, change has to begin from theindividual. Individual behavior cannot always be the effect; instead it has to causechanges in other variables. The model cannot explain this frequent reversal.In the overview of change activities, Cummings and Worley (2001) depict he importance of cognitive and affective components. These relate to creating areadiness for change, learning of the core ideology of the change program and theenvisioned future.Roberto and Levesque (2005) have analyzed the change process into four stages of chartering, learning, mobilizing and realigning. This is a model that integrates thechange participants into the participants change stream. Unlesss the wholly andmeaningfully get immersed in the change stream, the change program will notaccomplish the purpose. Change stream implies the whole gamut of change from the startwith the crystallization and assimilation of the objectives and goals, the midway ofgetting to know the nitty-gritty of change and the end with the conclusiveaccomplishments. Chartering is the process in which the purpose, scope and the waypeople will work with one another are clarified. Learning is the stage of specifying theway managers develop, test, and refine ideas through experimentation. In the stage of mobilization of resources, commitment to the project is obtained by the use ofsymbolism, metaphors, forceful stories and anecdotes to engage hearts as well minds of the participants. The model has a perfect blend of both the content and processes factorsof change, in which content refers to the what of change and process refers to the how ofchange. The DICE model of change put forward by Sirkrin and colleagues (2005)explicates the Duration required for change (D) Performance Integrity (I), the abilities and skills of the members to complete the change initiative on time, that is the Commitment expressed(C) by the management and employees towards change andEffort(E), the extra effort required to bring about change. The change models so far considered may be further differentiated on the basis of two general factors: the content and the process dynamics involved in any planned change program. The content of change represents the intended components of to be introduced program or that becomes the subject of change and the content varies from time to time. For example in a customer relationship change management program, the contents represent the novel way of managing the customers. Theprocess aspects represents the how of change, that is how can the customer relationshipexecutives be inducted into the change plan or how can they be encouraged to embracethe change program. The contents are imported from outside whereas the processaspects are to be nurtured and built up within the organization keeping in view the overall purpose of the plan.

## 4. BUILDING THE GROUNDWORK OF THE CHANGE PROCESS

The quadruple forces identified denote the most significant mediators of theprocess of change. For proper realization of the change program, theorganizational members must be ready for change, behaviorally, affectively, motivationally and cognitively. The absence of readiness on the part of members toembrace change leads to change failure in the medium term and the long term. Thepsychological processes comprising the three streams of cognition, affectivity, motivation and behavior make up the mosaic of the change program. It is thisarena that creates the positive inclination and willingness to embrace change as it isintroduced in the task, structure, technology and people realms of the organization.Since change can be conceived at the individual, group and the organizationlevels we may identify the working of the quadruple forces as to generate greaterinsights and to make the change program truly effective. Tables 1 show how

thequadruple forces are unraveled in the management of change.

### 5. NEYSHABOUR

Neyshabour city is located at the south western foot of Mount Binalud in north central Razavi Khorasan Province, Iran. The municipality of Neyshabour city is usually an urban administrative division having corporate status and powers of self-government or jurisdiction. The term municipality is also used to mean the governing, ruling body of a municipality. Neyshabour city is a general-purpose administrative subdivision, as opposed to a special-purpose district.

### 6. THE MUNICIPALITY OF NEYSHABOUR CITY

The municipality of Neyshabour city pointed to the agreement which will pave the ground for collaboration between the two metropolises especially the banks of the two cities and also expressed mutual investments can enhance the quality of life in the cities in coming years.

The Ideals of the Prospect of the Long Term Development of the City of Neyshabour: The Prospect of the Long Term Development of the City of Neyshabour, which is the desirable appearance of the city in the horizon of a plan and a promise for the sustainable development of Neyshabour, is in harmony with the 20-year outlook of the country and it is based upon the following ideals:

1. Neyshabour; a city with the Iranian - Islamic genuineness and identity (a city that is organized for the growth and exaltation of humans and pure life).

2. Neyshabour; a knowledge-based, intelligent, and global city.

3. Neyshabour; a lush green and beautiful, fresh and lively city with diverse and vast public spaces.

4. Neyshabour; a safe city resistant to all damages and secure against the dangers and accidents.

5. Neyshabour; a sustainable and integrated city with a structure suitable for residence, work, and recreation.

6. Neyshabour; a city without traffic jams and with welfare and proper infrastructures, together with the lessening of inequalities, and the justly provision of all citizenship rights.

Guidelines for the Development of City of Neyshabour (17 Items)

1. Optimizing and preserving the limits and preventing the expansion of the city in any form;

2. Optimizing and preserving the limits of Neyshabour.

3. Promoting the role and status of the City of Neyshabour at the national, trans-national, and regional levels;

4. Social development and optimization of the housing of the population;

5. Economic development and flourishing of activities in the City of Neyshabour;

6. Improving the condition of the connection networks and the transportation system and traffic;

7. Protecting the environment;

8. Making it safe against natural disasters (earthquake, flood, ...);

9. Improving the system of crisis management and bettering the quality of the passive defense of the city of Neyshabour;

10. Providing the required water, developing and equipping water and sewage facilities of Neyshabour, and renovating the river banks and river beds;

11. Improving and bettering the physical condition and organization of City of Neyshabour (spatial organization of the city);

12. Improving the quality of the efficiency of the urban space through determining the land use method and optimizing constructional activities;

13. Active revival and preservation of the natural, cultural, and historical heritage of the City of Neyshabour;

14. Optimizing and improving the identity of the appearance and the urban landscape of Neyshabour in order to revive the Iranian - Islamic architecture and urban construction;

15. Expanding green, public, recreational, and tourist spaces;

16. Meeting the needs and improving the urban services of Neyshabour;

17. Improving, renovating, and rebuilding the old textures of City of Neyshabour.

In order to realize the Comprehensive Plan for the City of Neyshabour, the planners have taken into consideration the following:

Economic and urban management policies.

Legal system and constructional modifications (related to the government and parliament).

Conditions for realization (related to the Judiciary System) Among the most important strategic projects of Neyshabour, which have been carried out or are being carried out, mention can be made of the following: Comprehensive Cultural Plan of Neyshabour: In this plan, at first the cultural outlook of Neyshabour in the fields of " Neyshabour, a cultural city", "cultured citizen", and "management of culture" was devised. Then the qualitative objectives, methods, and cultural policies of the city management were compiled in the following ten sections:

- 1. Religious and national identity
- 2. Ceremonies and occasions.
- 3. Quran and Islamic knowledge.
- 4. Culture of self-sacrifice and martyrdom.
- 5. Religious and training places.
- 6. Free time.
- 7. Tourism.
- 8. Book and book-reading.
- 9. Visual identity.
- 10. Information giving.

Comprehensive Plan for Transportation and Traffic: It has been devised through the interaction between organizations and bodies related to this field. The main objective of the implementation of this plan is to improve and develop the public transportation network of Neyshabour by utilising various systems including the bus, taxi, and tram.

Rapid Response Plan 137: This plan is inspired by the revolutionary spirit of the urban managers and is carried out to rapidly respond to the visible problems and shortages of the city's neighborhoods. It aims at the realization of justice and the Municipality's objectives with regard to the expansion of service provision for the citizens. Mechanization of Urban Services Plan: The objective of the implementation of this plan is to do the urban services activities such as collecting and transporting rubbish and cleaning the city's streets and lanes by using modern machinery and the up-to-date technology of the world.

Plan to Develop and Complete the Motorway Network: It includes studying and constructing freeways and highways needed by the City of Neyshabour according to the Comprehensive Plan in the three sections motorways, flyovers and bridges, and urban intelligent tunnels. Comprehensive Plan for Digging and Building Common Service Canals: It deals with coordination in digging occasions among the various water, electricity, telecommunications, gas, and other sectors and creating common tunnels and canals for the urban facilities.

In order to facilitate the pedestrians crossing the motorways and streets, to make smooth the vehicles' movement in the streets, and to create more safety for the pedestrians and drivers. Plan to Construct Canals to Direct and Collect the Surface Water in the City of Neyshabour: Collecting water caused by rainfall and the surface waters of Tehran, and directing them downstream in order to control flood and the flooding of the streets, and recycling the collected water for industrial and agricultural uses.

Plan to Renovate Old Textures: Renovating, securing, and strengthening old and dense neighborhoods and buildings of the city and improving the quality of the houses of the citizens living in poor neighborhoods, and reviving and organizing the old neighborhoods of the city. Comprehensive Plan for Crisis Management: Considering the position of Neyshabour on the faults lines which are prone to earthquakes and other natural conditions, City of Neyshabour is always exposed to danger and crisis. In order to reduce the impact of the natural disasters and crises, the Municipality of Neyshabour with the cooperation of the related organizations has compiled and adopted the said plan, and has formed a headquarters for its implementation. The duties and authorities of the crisis management headquarters in the districts are as follow: Carrying out the policies of the Crisis Management Headquarters and Organization of the City of Neyshabour; providing district plans for the crisis management in the framework of the general plan for the crisis management of the City of Nevshabour and sending one copy of it to the headquarters to be studied and adopted; becoming prepared and doing the necessary actions to deal with the crisis at the district level before and after the occurrence of the crisis respectively and in accordance with the adopted plans and related regulations; coordinating and supervising activities of the crisis management headquarters of the districts; taking preventive measures (before, at the time, and after the occurrence of the crisis); acting and being prepared at the municipality district level in cooperation with the headquarters of the municipality districts and the regional units of the organizations related to the crisis management of the City of Neyshabour; informing the headquarters of the critical situation in the district and cooperating with the headquarters in this regard; coordinating the operating rescue teams of the district and region with regard to searching, rescue, helping, emergency housing, and cleaning the roads operations. The crisis management headquarters of the district municipality holds sessions in normal conditions at least once every three months and holds extraordinary sessions on the suggestion of the head of the district municipality headquarters in critical conditions.

Enabling of Urban Environment for the Disabled: Making the urban spaces suitable for the use of the disabled and those who are corporeal and motional handicapped, in order to help the susceptible and weak urban groups.

Renewal and Redecoration of the City's Historical Complexes: Repairing and reviving places related to the history and identity of the city, making the city beautiful and calm on the basis of the historical identity of the city's neighborhoods, and creating a serene atmosphere for the citizens.

Plan to Promote Walking and Rebuilding Pavements of the City: Building and expanding pavements, and repairing and bettering the important pavements of the city in order to encourage people to walk more and to use private cars less.

### 7. CONCLUSIONS

The diamond model suggested paves the way for an effective changemanagement program. The model offers a solution to problems of changemanagement including individual and group resistance of organizational memberstowards change initiatives, snail's pace change transition ways and the structural andfunctional inertia being shown by members. All the change management modelsreviewed spread out an impeccable scheme of strategies directed to achieve thegoals. The change strategies are doomed to fail unless supported and corroborated byan effective approach in which the cognitive, behavioral, motivational and affectiveprocesses are fundamentally transformed and recharged so as to make them the fourinner pillars of any change management program. The perfect blend of thecontents and the processes make change program a unique organizational activity.

#### REFERENCES

- [1] Ashkanasy, N.M.andDaus, C.S. (2005).Rumours of the death of emotionalintelligence in organizational behavior are vastly exaggerated, *Journal ofOrganisational Behavior*, 26, 441-452.
- [2] Averill, J.R.(1997). *The Emotions: An Integrative Approach*, New York: AcademicPress.
- [3] Bartunek, J.M.Rousseau, D.M., Rudolph, J.W.andDePalma, J.A.(2006).On thereceiving end:Sense-making, emotion and assessments of an organizational changeinitiated by others, *Journal of Applied Behavioral Science*, Vol.42(2), 182-206.
- [4] Cummings, T.G. and Worley, C.G. (2001). Organization Development and Change(7thed.), Singapore: Thomson Publishing
- [5] Ellinger, A.D.andBostron, R.P.(2002). An examination of managers' beliefs abouttheir role as facilitators of learning, *Management Learning*, Vol.33(2), 147-179.
- [6] Emmerling, R.J. and Cherniss, C. (2003).Emotional intelligence and the careerchoice process, *Journal of Career Assessment*, Vol.11 (2), 153-167.
- [7] Fernandez-Dols, J.M. and Russell, J.A. (2003). Emotion, affect and mood in socialjudgments, In T.Millon and M.S.Lerner (Eds.), *Handbook of Psychology*, Vol.5, New York: John Wiley and Sons, Inc.
- [8] Fisher, K.K. (1989).Managing in the high commitment workplace, OrganisationalDynamics, (Winter):31-50.
- [9] Garvin, D.A.(1998). The process of organistion and management, *MIT SloanManagement Review*, Vol.39 (4), 33-50.
- [10] Hellirigel, D and Slocum, J.W. (1980). Assessing organizational change approaches: Toward a comparative typology, *Group and Organistion Management*, Vol.5 (1), 35-47.
- [11] Johnson-Laird, P. and Byrne, R.(2000).Mental Models Website, The mental modeltheory of thinking and reasoning, Retrieved fromwww.tcd.ie/psychology/Ruth\_Byrne/mental-models/
- [12] Johnson-Laird, P.N., Girotto, V.andLegrenzi, P. (1998).Mental models: A gentleguide for outsiders, Retrieved from www.si.umich.edu.
- [13] Kang, S.M.and Shaver, P.R. (2004).Individual differences in emotional complexity:Their psychological implications, *Journal* of Personality, Vol.72 (4), 687-726.

- [14] Kiefer, T. (2005).Feeling bad: Antecedents and consequences of negative emotions ongoing change, *Journal of Organisational Behavior*, 26, 875-897.
- [15] Landy, F.J. (2005).Some historical and scientific issues related to research onemotional intelligence, *Journal of Organisational Behavior*, 26(4), 411-424.
- [16] Leon, F.R.(1981). The role of positive and negative outcomes in the causation of motivational forces, *Journal of Applied Psychology*, 66(1), 45-53.
- [17] Matsui, T., Okada, A.andMizuguchi, R.(1981).Expectancy theory prediction of thegoal theory postulate, "the harder the goals, the higher the performance", *Journal ofApplied Psychology*, 66(1), 54-58.
- [18] Mathews, A.andMacLeod, C.(1994).Cognitive approaches to emotion and emotional disorders, *Annual Review of Psychology*, 45, 25-50.
- [19] Meyer, J.P.Becker, T.E.andVandenberghe, C.(2004).Employee commitment andmotivation: A conceptual analysis and integrative model, *Journal of AppliedPsychology*, 89(6), 99-107.
- [20] Mc Daniel, S. (2007). What is your idea of a mental model? Boxes and Arrows: Thedesign behind the design, August Issue, Available Online
- [21] Richer, S.F., Blanchard, C and Vallerand, R.J.(2002). A motivational model of workturnover, *Journal of Applied Social Psychology*, Vol.32(10)2089, Available online.
- [22] Roberto, M.A.andLeverque, L.C.(2005). The art of making change initiatives stick, *MIT Sloan Management Review*, Vol.46(4), 53-60.
- [23] Saraswathy, S.D. (2001).Causation and Effectuation: Toward a theoretical shift fromeconomic inevitability to entrepreneurial contingency, *Academy of ManagementReview*, Vol.26 (2), 243-263.
- [24] Senge, P.M. (1950). The Fifth Discipline, New York: Doubleday.
- [25] Singh, K. (2005). Change Management and Organizational Development, NewDelhi: Excel Books.
- [26] Sibia, A. Misra, G and Srivastava, A.K.(2004).Towards understanding Emotionalintelligence in the Indian context, Perspectives of parents, teachers and children, *Psychological Studies*, Vol.49(2-3), 114-123.
- [27] Sirkin, H.L., Keenan, P. and Jackson, A. (2005). The hard side of Changemanagement, *Harvard Business Review*, Vol.83 (10), 109-118.
- [28] Sturdy, A.andGrey, C.(2003).Beneath and beyond organizational changemanagement: Exploring alternatives, *Organisation*, Vol.10(4), 651-662.
- [29] Subramanian, N.(2005).Four modes of managerial action, The Hindu Speaks onManagemnt, Vol.II.Chennai:Kasturi&Sons.
- [30] Weinberger, L.A. (2004). Emotional intelligence: Its connection to HRD theory and practice, *HRD Review*, Vol.1 (2), 215-243.
- [31] Weiss, J.W. (2001). Organisational Behavior and Change: Managing diversity, crosscultural dynamics and ethics, New Delhi: Vikas Publishing House.