



ROTTERDAM SCHOOL OF MANAGEMENT, ERASMUS UNIVERSITY

▶ Effective ads: new technology answers old questions

By Linda Couwenberg

▶ Improving the supply chain in humanitarian logistics

By Erwin van der Laan and Jan van Dalen

▶ Rethinking managerial roles in change initiatives

Chris Murray talks with Bas Koene

▶ How can auditors avoid the perils of aggressive accounting?

By Marcel van Rinsum

▶ Why can't China clean up its act?

By Pursey Heugens

▶ The use and misuse of power and unethical behaviour

By Laura M. Giurge



Rethinking managerial roles in change initiatives

Chris Murray talks with **Bas Koene**

Organisational change that is initiated by middle management rather than top management is more likely to gain employee support. This is the conclusion of a recent study co-authored by Bas Koene, assistant professor in RSM's Department of Organisation and Personnel Management.

The study on managerial roles in launching and executing organisational change shows that this positive effect of change initiation by middle management is further strengthened when top management engages in change execution. 'The findings of the study are valuable, because quantitative research usually fragments the situation, either investigating the impact of top management or that of middle management in change situations. Actually, *both* middle management and top management have a dynamic, ongoing role to play,' Koene says, noting

Koene says. The middle management research emphasises how experience in the work process leads to grounded and practical change initiatives.

Both, however, also face challenges, he says. Top management needs to motivate people in the organisation to go along with their ideas that may not always obviously benefit them, while middle management operates in a complex organisational environment where their change initiatives may make sense locally, but might be perceived as less relevant in the wider organisation.

operationalises the change objectives to fit the local situation.

Koene and colleagues' quantitative study, published in the *Journal of Management Studies*, was based on 1,795 questionnaires received from respondents in 468 organisations. Conducted in collaboration with colleagues from Australia's Monash Business School, Canada's Wilfrid Laurier University and the UK's Cambridge Judge Business School, the study focused on employee support of change in relation to four different configurations:

- Top management initiated and executed.
- Top management initiated but middle management executed.
- Middle management initiated but top management executed.
- Middle management initiated and executed.

Change *initiation*, according to the study, includes identifying the opportunity, making the business case, and securing the resources commitments for the change. Change *execution* involves implementing the change, from defining the day-to-day activities to translating general goals into periodic milestones to giving some sense and direction to those involved in the change process.

Top management initiated change did not consistently engender employee support for change. Nearly 48 per cent of change initiatives in the study were initiated and executed by top managers, making this configura- ►

"If middle management initiates the change, it's often closer to what people experience and it's more acceptable to people in the organisation."

that they each bring specific strengths and weaknesses to the process.

The top management research emphasises the importance of setting direction for the organisation and legitimisation in the external environment,

People are quick to conclude that top management mostly has a role in change initiation, he says, setting goals and legitimating the change externally and explaining it internally, while middle management then translates and

Rethinking managerial roles in change initiatives *(continued)*

Chris Murray talks with **Bas Koene**

ration the most common in the data. Nevertheless, he says, 'As a way of managing change, this is not an approach that has a very clear positive or negative impact.' Nor did the study show significant positive employee support for change that was initiated by top management and executed by middle management — which accounted for 28 per cent of the change initiatives in the study.

Middle manager advantage

In contrast, change that was middle management initiated and executed showed statistically significantly greater levels of employee support. 'If middle management initiates the change, it's often closer to what people experience and it's more acceptable to people in the organisation,' he says.

'Top management often frames change in strategic terms. When people in the organisation think about change,' Koene explains, 'they think about actual changes in their work processes, what it does to their direct client connections, what it does to their jobs. They experience change and talk about change in a very different way. Middle management, in that sense, is closer to people in the organisation than top management in the way they frame and talk about change.'

However, one of the challenges of change that is initiated and/or executed by middle management is the potential for a unit-focused framework, as opposed to an organisation-wide perspective. 'The risk is that middle managers might have a localised view of what needs to happen, that they

don't see the big picture,' Koene says. 'They might have local interests rather than organisational interests at heart.' As a result, some fear that middle management-initiated change can lead to political conflicts, and less employee support for the change. However, Koene notes, 'This is not what we find.' The research shows *more* rather than less support for change driven by middle managers.

A surprising result

Although the research showed positive employee response to change initiated and executed by middle management, the most effective configuration was the third on the list: change launched by middle management *but executed by top management*. 'People will think top management initiates, middle management executes. The value of these findings is that they highlight that, actually, it can be the opposite. Middle management initiation and top management of change shows a consistently positive effect on employee support for change.'

As Koene explains, this counter-intuitive allocation of roles best leverages the strengths of both middle management and top management while counterbalancing their weaknesses.

Staying involved

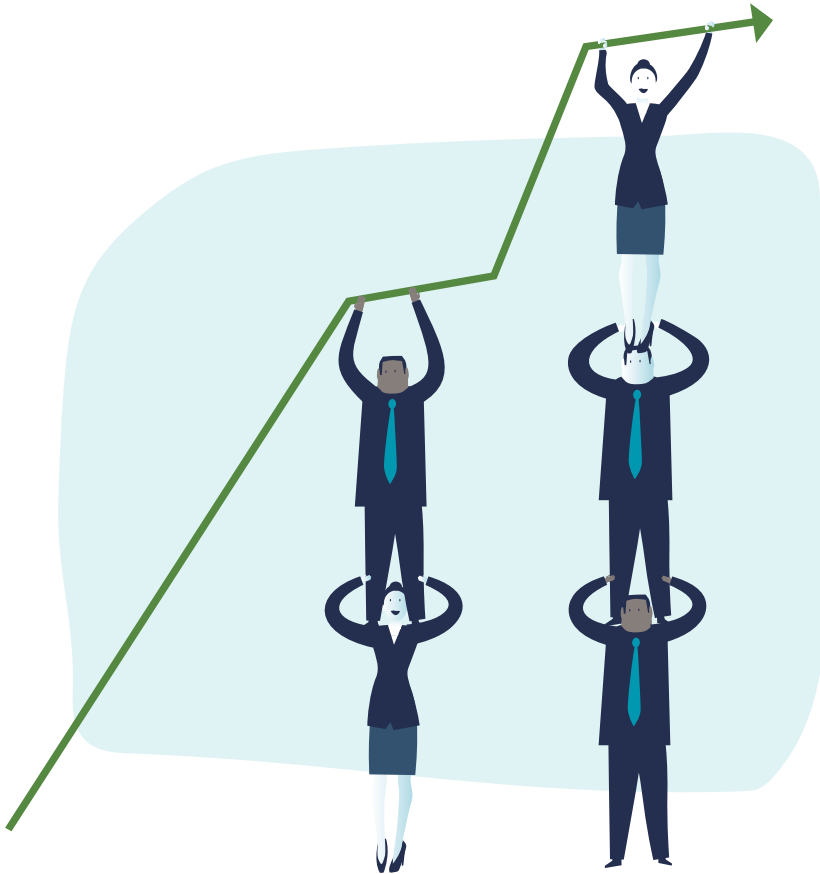
Top managers, Koene says, have an important role to play in linking change to organisational objectives and the overall direction of the company — which is why the continued involvement of top management. 'Top management needs to be involved and stay involved

to maintain the clarity of the organisational vision and direction,' he says. 'Middle management can initiate the change, but top management has to support it and legitimise it, and clarify how it's also relevant in the broader context of the organisation and the organisation's goals.'

As Koene explains, top management can help employees understand the overarching *why* of the change. To garner employee support, he says, 'there needs to be constant attention to what does it mean? What are we doing?' Top management best answers those questions, according to Koene. 'During the process of change, everything becomes more complicated than it was before,' he says, 'People will be doing and experiencing unfamiliar things. It's very important that top management keeps helping them to make sense of what's going on. Top management needs to provide clarity and direction whilst balancing it with healthy doses of realism and reflection.'

Direction and sense-making is just one aspect of top management involvement. 'Good leaders keep the change idea alive. What is very important for top management to consider is that when there is a change project in the organisation they have to frame it so that it remains open to updating and that there is possibility for creative evolution and reframing, taking into account new things,' he says.

In sum, he says, top management ensures that change initiatives remain consistent with the organisation's overall goals and strategies, while at the



“This research points to the importance of understanding organisations not just as clear hierarchies, but as social entities where multiple realities come together and are constantly negotiated.”

same time allowing them to be open to ‘complexity and evolving understandings.’ As Koene explains, ‘The perfect plan doesn’t exist. It’s important to re-evaluate situations as they develop. Top management can thus be inspired by initiatives of middle management in the organisation but also take into account developments that happen along the way.’

Traditionally, research into roles played by managers in organisational change focuses either on a “top-down” approach, with top managers initiating the change that middle managers executing, or a “bottom-up” approach, in which middle managers initiate change that is sometimes resisted by top managers wary of change from below. This either-or bat-

.....
tle of static dichotomies, Koene says, is obsolete.

‘This research points to the importance of understanding organisations not just as clear hierarchies, but as social entities where multiple realities come together and are constantly negotiated,’ he says.

Change, Koene explains, is an evolving process, in which the involvement of both middle managers and top managers remains important. ‘Middle management acts and experiments and initiates in the process of change,’ he says. ‘Top management engages in constantly reconciling the multiple realities and the process of sense making and reorganisation – and constantly deals with emergent experiences in the process of change.’

When it comes to organisational change, this continuous partnership of middle and top managers is, his research shows, what works best. ■

The paper, *Rethinking ‘Top-Down’ and ‘Bottom-Up’ Roles of Top and Middle Managers in Organizational Change: Implications for Employee Support*, written by Mariano L.M. Heyden, Sebastian P.L. Fourné, Bastiaan A.S. Koene, Renate Werkman and Shahzad (Shaz) Ansari, is published online in the *Journal of Management Studies*, January 2017. DOI: <http://dx.doi.org/10.1111/joms.12258>

Bas Koene is Assistant Professor, Department of Organisational Change and Personnel Management, and Director, RSM Case Development Centre, Rotterdam School of Management, Erasmus University. [EMAIL bkoene@rsm.nl](mailto:bkoene@rsm.nl)