Barbara Heitger/Alexander Doujak

Managing CUTS and New GROWTH

an innovative approach to change management

2nd Edition



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COMMENTS ON THE FIRST EDITION OF "MANAGING CUTS AND NEW GROWTH"

Robert Fritz (Consultant, U.S., author of "The Path of Least Resistance for Managers"/Co-author of "The Managerial Moment of Truth")

"Managing Cuts and New Growth is a breathtaking contribution to the management literature by virtue of its scope, depth, practical wisdom, and originality. Here is a book of timely significance. Here is a book that addresses how organizations can truly move from the traps of contradictory objectives that limit growth, to restructuring the fundamental elements in which complexity and internal conflicts are able to be transformed and aligned. Barbara Heitger and Alexander Doujak are masters of change management, and Managing Cuts and New Growth is a must read for anyone who is involved in the field."

Jan A. Poczynek (Business Consultant, Vienna)

"Contemporary timelessness. Translated internationality. A re-updated change management in times of crisis. This book addresses consultants and managers likewise. It offers a thorough overview on the subject of transformation of organizations and sufficient links to enable a transfer to practice. Overall it is a strong mix of models, methods, practical relevance, case studies and interventions. The levers for successful change management become very clear, especially by dedicating individual chapters to the emotional turmoil in change processes and to business factors, confirming their high priority in changes."

Daniel Riedl (Member of the Executive Board, Immofinanz AG)

"Barbara Heitger and Alexander Doujak illustrate the benefits of systemic consulting as a self-help tool. I would highly recommend this book to everyone who deals with change (and who doesn't as a manager?). They address the challenges posed by ongoing changes and show how to navigate new situations even without solutions pointing towards the way forward. This book is also for those who, rather than seeing change as a cost-cutting exercise, embrace it together with the social dimensions which are the hallmarks of true and successful transformations."

TWO EPISODES

(1) "Flirting in February, engaged in March, married in April – and top results in December"

A regional branch of an international software corporation is undergoing fundamental change – from software supplier to "solution provider". Instead of relying on the traditionally successful software sales, its new business process model banks on holistic solutions for customers.

This new marketing approach makes comprehensive know-how a prerequisite for the units with direct customer contact. Moreover, a new management level is taking over domestic business control, and the "old" management team has been given responsibility for an entire region.

A diversely staffed change team is commissioned to implement the new organizational structure and anchor the new processes. A further, clever condition set by corporate management adds even more suspense: The business results of the ongoing year must not fall short of the plan.

One thing is clear: Renewal of this kind calls for immense innovative power and, at the same time, hard cuts – abandoning the previous self-image and the strategy and routines of everyday business. Inciting radical renewal in times of success while venturing into unknown territory: This is a real management challenge.

(2) The old masters become production managers

A small subsidiary of an international production group specializes in the development and production of custom orders in an economically shaky product line that has been operating in the red over several years. A major turn-around project in the production line is anticipated with deep anxiety by the "old masters".

Radical repositioning is called for: The new strategy – converting from piece production and custom craftsmanship to small series of specialized products,

means organizational restructuring: Less development resources, new business or production processes, coupled with a change in self-image of those involved. "The old masters and experts" who control the product from A to Z are to become part-specific serial workers. Anxiety concerning job loss increases tension, as there is no definite guarantee that the new product will be a success. The results requirements, in contrast, are clear and demanding. Hope for a secure future and concentration on results improvement alternates with doubts and feelings of helplessness and loss regarding previous successes and the "industrial artisan identity". Hard cuts need to be made as an economizing measure, and positioning for new growth needs to be developed.

Two episodes that reflect the change circumstances in many enterprises: Both management situations are highly demanding – not only in terms of growth and renewal objectives, but also hard cuts – accompanied by emotional turbulence.

TABLE OF CONTENTS

Comments on the first edition of "Managing Cuts and New Growth"	5
Two episodes	7

CHAPTER 1: Same old Tune or new Composition? 15

1. What change & line managers think about	15
2. Three images of change management	20
3. Negative statements predominate	21
4. Trends in change management	21
5. Change management as daily business – our experiences as	
consultants	22
6. What follows from all of this?	25
7. Same old tune or new composition in change management?	26

CHAPTER 2: In the Jungle of Change Concepts 31

1. A map provides orientation	31
2. What change directions are there?	33
3. Concepts of change – an overview	36

CHAPTER 3: Un:balanced Transformation511. Transformation as radical and comprehensive change522. Un:balance603. An initial balance sheet – old and new images of transformations664. Hard cuts695. New growth806. Management agenda for the development of radical innovations:

What to do?	85
7. Ten ground rules for a climate that promotes innovation	88
8. Hard cuts and new growth as simultaneous and parallel	
objectives	91
9. Un:balanced Transformation	93
10. The overall control of hard cuts and new growth requires an	

integrated set of architectures, interventions and leadership skills 95

11. Strategies for the architecture and management of hard cuts and	
new growth	96
12. Overview of change architecture and organization	100

CHAPTER 4: The Power of Figures 105

1. When are companies successful? – some models	106
2. What counts? The correlation between change and value creation:	
Studies	109
3. Success or failure – what counts in change management?	111
4. Better not – what speaks in favor of not measuring change	
processes?	114
5. Then why measure and evaluate?	114
6. Agenda for good controlling concepts in transformations	115
7. Agenda for effective evaluation	116

CHAPTER 5: The Logic of Feelings1211. Feelings in the change arena1212. The four basic categories of feelings – a look backstage1253. Interventions: What are the main points to consider?129

CHAPTER 6: New	Change Challenges	133

1. Article I: Cheating the Coincidence	133
2. Article II: Let It Be	146

CHAPTER 7: Case Studies 1	159
Case I: my.change, my.chance 1	159
Case II: A 130-year-old company becomes Internet leader 1	l75
Case III: Live and let die 1	184
Case IV: An unlikely couple? 1	196
Case V: Growth and Renewal through Business Model Innovation 2	211
Case VI: On a Treasure Hunt for Innovation 2	222

CHAPTER 8: The Phases of Change	233
CHAFTER 6. THE FHOSES OF Change	233
Phase 1: Interrupt the routine – we need to change!	238
Phase 2: Imagine the future – develop architecture, chart the route!	243
Phase 3: Make brave decisions – jump into the deep end!	248
Phase 4: Implement change consistently	252
Phase 5: Master the high-altitude challenge – consolidate success	257
Phase model overview	262

CHAPTER 9: Interventions, Designs, Architectures 265

Phase 1 interventions	200
Phase 2 interventions	289
Phase 3 interventions	305
Phase 4 interventions	320
Phase 5 interventions	333

Appendix	357
How this second edition came about – acknowledgements	357
Briefglossary	359
Bibliography	363
The Authors	371

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Publications on change management, strategic innovation, project management, project portfolios, re-engineering as a development process, IT and change management.