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# Using Computer Simulations to Teach Organizational Change

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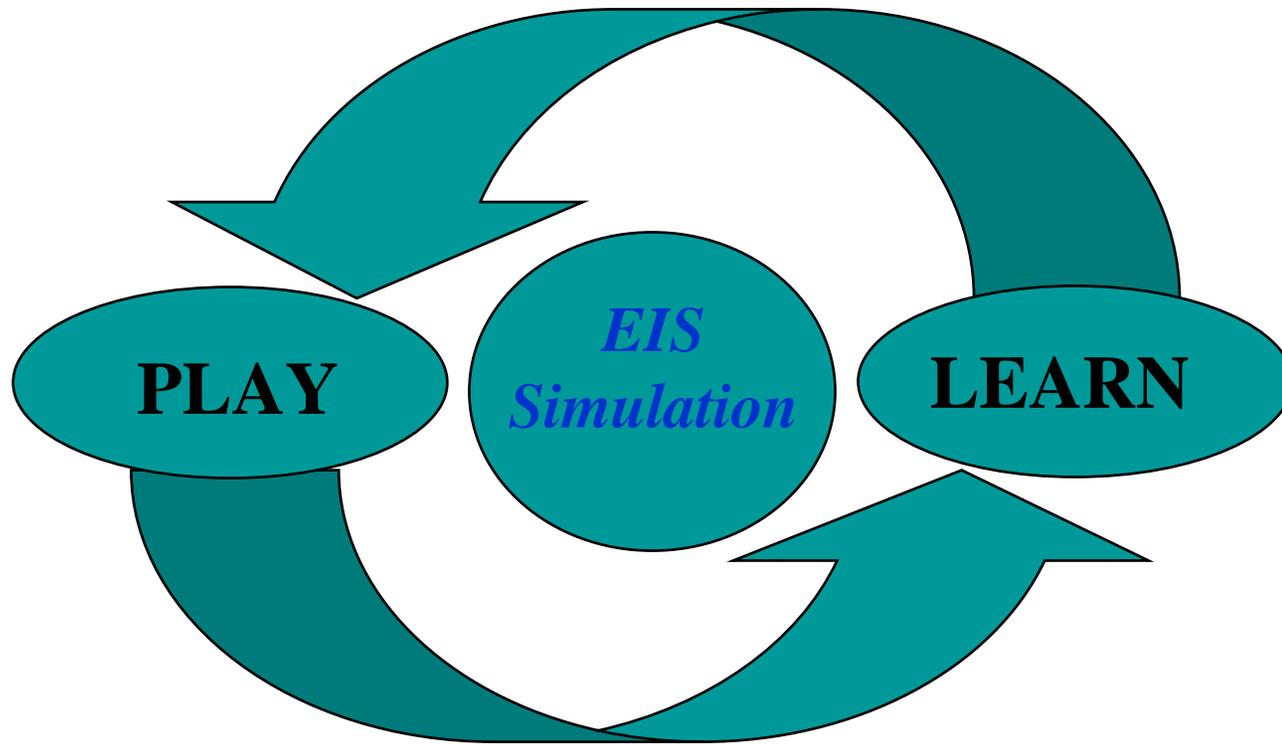
# Using Computer Simulations: Learning Objectives

- To introduce computerized simulations as a means for teaching organizational change
- Give you a “taste” of one, EIS

5 min	Overview of Simulations
10 min	EIS Experience
5 min	EIS Debrief



# Computer Simulations – Bridging the Gap between Knowing and Doing



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# Two Change Management Simulations

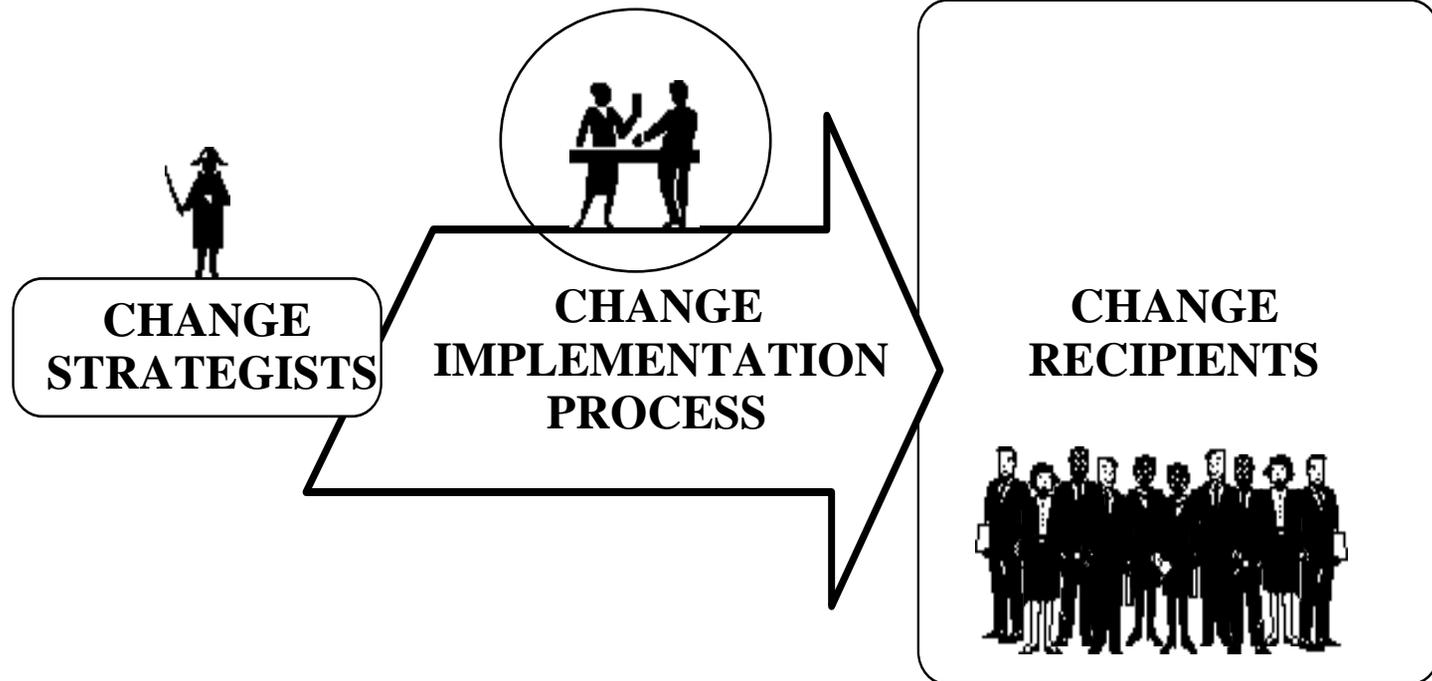
- EIS - <http://fw-wwwcalt.insead.edu/eis/>
    - Focuses on dynamics of adoption and diffusion
    - Program downloaded on machine with access code
    - Pricing: \$10 Euros for undergrads and MBAs, \$50 for exec. MBAs and \$100 for corporate execs (as of 8/2007)
  - ExperienceChange - <http://www.experiencepoint.com/>
    - Focuses on a 7-step model for implementing change (adapted from Kotter, Nadler, etc.)
    - Web-based w/ password
    - Pricing: \$35 US for undergrads, \$50 for MBAs, \$150 for corporate execs (as of 8/2007)
    - Participants get access to simulation for 3 months (can re-play)
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# Components of the Simulation

- Simulation Experience in Class
    - Introduction including a brief demo of the software
    - Diagnosis/strategy-building in teams
    - Simulation run in teams
    - Team debrief
    - Class debrief (both simulations have good documentation/support for this)
  - Timing
    - EIS requires roughly 4 hours minimum. Can be run in one session or over several separate sessions.
    - ExperienceChange is similar – more time is spent on diagnosis and strategy-building.
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# The EIS Challenge...



Understanding the dynamics of  
**Diffusion, Change & Resistance**

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# EIS Mission

- EuroComm (HQ) is trying to get Teleswiches (a recent acquisition) to adopt a corporate-wide EIS system (an information and reporting system like SAP)
  - HQ has appointed you, the change agent team, to go to Teleswiches to persuade the CEO and top management to adopt the EIS
  - You have 6 months to convert up to 22 individuals
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# EIS - Stages in the Adoption Process

## STAGE 1: *Awareness*

The recipient becomes aware of the innovation

## STAGE 2: *Interest*

The recipient develops curiosity about the innovation and is open to information (how it works, potential benefits, etc.)

## STAGE 3: *Trial and Evaluation*

The recipient is ready to

- Evaluate the costs and benefits of the innovation
- Assess its probability of success
- Try it out on a small scale or in a pilot project

## STAGE 4: *Adoption*

The recipient adopts the innovation and uses it regularly

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# EIS Initiatives

## **4 information gathering tactics:**

- ❑ **Personal profiles**
- ❑ **Task forces**
- ❑ **Coffee breaks**
- ❑ **Social networks**

## **14 Action tactics**

- ❑ **Face-to-face meetings**
- ❑ **Internal magazine**
- ❑ **Electronic mail**
- ❑ **Memorandum**
- ❑ **Seek advice**
- ❑ **Management training**
- ❑ **Workshop**
- ❑ **Staff meeting**
- ❑ **Questionnaire**
- ❑ **External speaker**
- ❑ **Directors' meeting**
- ❑ **Pilot test**
- ❑ **Directive**
- ❑ **Covert lobbying**

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# Demo and Simulation Time

- Your instructions:
    - Split into teams of 8-10
    - Load up EIS simulation on laptops (1 per team)
      - Spend 5 minutes mapping out rough strategy
      - Spend 5 minutes implementing actions
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# Debrief: Reflection Points

- **Level 1: Me and My Team** (Personal Experience and Group Dynamics)
    - Argumentation
    - Negotiation
    - Mutual learning & adaptation
    - Emotions mgmt
    - Group Dynamics
  - **Level 2: Our Change Management Experience** (Management of the Change Implementation Process)
    - Addressing Individuals
    - Addressing Networks
    - Addressing “Culture”
    - Strategy
    - Tactics/Initiatives
    - Process management
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# Level 1: Me and My Team

1. My **assumptions** on how to best manage change
    - those validated by our experience?
    - those challenged by our experience?
  2. My **role** within our 'Change Agents' **team**
    - significant changes in the team dynamics and what caused them?
    - imagine your team without you
      - what did your presence change ?
      - what would you have liked to change even more but didn't succeed ?
  3. Reflecting on the **team dynamics**
    - how well have you as a team managed to 'translate' your initial strategy into action?
    - how have you reacted to unexpected events?
    - what could have made the team experience
      - more 'productive'?
      - more 'pleasant'?
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# Level 2: Our Change Management Experience

## 4. Reflecting on the **Strategy** side

- Which were the strong points and the less strong ones?
- What would you change in your 'diagnostic' approach and the way you integrated emerging information?

## 5. Reflecting on the choice of change **Tactics**

- Which ones worked well?
- Which ones did not work as expected?
- Which ones could have helped too?

## 6. Change **Diffusion Dynamics & Resistance**

- Which resistance forms did you encounter?
  - Which ones did you find most challenging?
  - How to best address them?
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# EIS Reveals the Importance of Organizational Diagnosis

- Individuals
    - Role and history
    - Attitude towards change
    - Motivation and resistance
    - Influence
  - Networks
    - Formal and informal networks
    - Power and diffusion networks
  - Organizational Culture
    - Communication culture
    - Positive/negative signals
    - Values and mission
    - Management style
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# Effective Interventions in EIS

## ■ Strategy

- Adaptive
- Explicit
- Key driving principles (collaborative vs. competitive)
- Leveraging networks & key individuals

## ■ Process

- Adoption curve, slow at first, then really picks up
- Process fairness dimensions
- Awareness, interest, trial adoption

## ■ Tactics

- Adapt to people, timing and adoption stage
  - Target individuals vs. groups
  - Open vs. covert
  - Collaborative vs. competitive
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# Example Assignment

Analyze the simulation experience and explain what it taught you about managing change in the “real world”.

First, present a description of your experience with the change simulation. What was the most significant event or moment for you or your team, why it significant and what did you learn about implementing change?

Second, briefly assess the effectiveness of your overall change approach. What worked and what did not work? Why? What would you do differently if you were able to start over from the beginning?

Finally, discuss how your team dynamics either helped or hindered your performance on the simulation. What are the implications for how you work most effectively with teams in the future?

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# EIS Webpage for You

- <http://www.calt.insead.edu/eis/SessionsPages/MilgardSchoolOfBusinessAug5/>
  - Can download demo & full simulation
  - Can use full simulation FREE until August 7
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# Advantages of Change Management Simulations

- Give first-hand experience for how hard it is to move from theory to practice, from strategy to implementation
  - Bring insight into the wide variety of attitudes and behaviors of others as well as the dynamics of diffusion
  - Allow “low cost” experimentation in strategy and approaches
  - Provide a means of assessing personal strengths and weaknesses in a team context
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Thank You!

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