

**Response Paper # 2**  
**Critically assess the challenges of restructuring an organization**

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Two books, *Sustaining Change in Organizations* (Hodges & Gill, 2015) and *Leading Change* (Kotter, 2012), are complementary each other as they contain both general discussion and detailed explanations. From this respect, both books can work together as an integrated whole in explaining the challenges of restructuring an organization. That is to say, the former shows us the conceptual definition of restructuring, whereas the latter reveals the challenges of organizational change in a detailed way.

According to Hodges and Gill, restructuring is a common change intervention in organization. The typical structural changes are downsizing, mergers, and acquisitions. Changes in the structure of an organization can be triggered by external or internal events. A right restructure improves people's experience of the organizations, but a wrong restructure can create uncertainty and lower morale (Hodges & Gill, p. 252).

However, change is not always good. The result of it can make the

organization better or worse. Leaders and managers can choose a certain structure to change things or to stay the same. No matter big or small, a structural change will affect the organization significantly.

There are many different kinds of organizational structures; functional, divisional, matrix, and flat as conventional types of structures as well as network and virtual structures as emerging organizational structures. But no one type will be suitable for all organizations. Instead, each form of organizational structure possesses unique strengths and weaknesses. So leaders and managers must select or invent the structure that seems most appropriate within their context of organizations.

Organization is composed of humans, which means a life itself. It by nature changes incessantly to survive according to its environment as it is proven in the Darwin's theory of the survival of the fittest. However, some employers neglect the request of change and are stick with ignorance, arrogance and complacency. Owing to this element, it is so important that leaders and managers consider organization as an interactive organic life, including employees, stockholders, customers and themselves, instead of lifeless things.

In fact, a structural change like downsizing is a huge challenge to the organization's constituents, needless to say mergers and acquisitions. Because its impact is tremendous whether it is positive or negative. So the significance of leadership rises here. The consequences of a mistake here can be extremely serious.

The answer comes from Kotter's book, *Leading Change*. It exposes the challenges of restructuring an organization in a detailed way: irrational and political resistance to change, the difficulty of changing highly interdependent settings, the purging of unnecessary interdependencies, impatience, complacency, a surprising amount of time and energy, organizational culture, bureaucratic mindlessness in the extreme, etc (Kotter, p. 144).

Kotter put importance on leadership to overcome these obstacles. Here is where leadership is invaluable. Outstanding leaders with sufficient leadership change an inwardly focused and sluggish organization into an innovative organization. He insists the so-called corporate culture affects everyone and it has powerful influence on human behavior (Kotter, p. 148). The problem is that changing the culture may require changing people. Without the transformational change of people, every effort to change could go back to the past. He concludes the biggest impediment to creating change in an organization is culture (Kotter, p. 155). Therefore, change requires so much leadership from so many people.

I feel something hungry after reading two books above. Because two books are missing or lack in mentioning the significance of leadership. They deal with the need, method, and challenges of organizational change. However, both books fail dealing with the qualifications of "sufficient leadership." Leadership development and organization structure is inseparable relationship each other. No leadership, no organization.

Peter Drucker defines management is a liberal art. An organization

uses knowledge of all types – technological, social, economic, moral, and human – produce goods and services through people at work in order to deliver economic value to customers (Peter Drucker, p. 143). So, to be effective in managing leadership must know a variety of knowledge such as liberal art, social science, and natural science. Continuous learning and education to the 21<sup>st</sup> century leaders are prerequisites to competing and to succeeding in the knowledge economy. Leaders need all of the knowledges and insights of the humanities and social sciences on psychology and philosophy and ethics, economics, history, physical sciences, and so on.

#### References

- Hodges, J., & Gill, R. (2015). *Sustaining change in organizations*. Los Angeles, CA: Sage.
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