

4th International Conference on Leadership,
Technology, Innovation and Business Management

*“Organizational Change via Social Hubs:
A Computer Simulation Based Analysis”*

Dr. Kadir Alpaslan Demir
Barış Egemen Özkan

20 November 2014

Outline

- Introduction
- Research Goal
- Research Question
- Concepts
- Assumptions
- Organizational Change Models
- Computer Simulation Design
- Results
- Conclusion
- Future Work

Introduction

- Change management is a challenging endeavour for any type of organization.
- Most research on the topic mainly focuses on systematic solutions.
- Our solution uses an aspect of the informal structure in the organization.
- This study is driven by an actual problem.

Research Goal

- A simple well-defined research goal
- The research goal
 - To find an effective approach for change management.

Research Question

- The research question
 - Is it possible to use social hubs in the organization for change management?

The Key Concept in the Study

- A key concept integral to our study is the concept of “**social hub**”.
- Our definition of a social hub is:

«A social hub is a social persuasive employee with many friends in the organization.»

«He or she is an employee who can easily persuade other employees in the organization. A social hub has strong social skills therefore he or she has many friends in the workplace. Simply, a social hub is one of the popular employees.»

- The concept of «Social Hubs» is a well-known concept in online social media.

The Key Concept in the Study

- Malcolm Gladwell states, what is called as The Law of the Few, «The success of any kind of social epidemic is heavily dependent on the involvement of people with a particular and rare set of social gifts» in his book «Tipping Point».
- Our definition is a close mixture of Malcolm Gladwell's definition of a connector, a maven, and a salesman.
- A connector is a person with many acquaintances.
- A maven is an information specialist connecting us with new information.
- A salesman is a persuader, a charismatic person with a strong skill for negotiation.

Concepts

- Our models consist of certain concepts.
- **Organization:**
 - The organization can be any type of organization subject to change.
 - A government, a commercial, or a non-for-profit organization.
 - Size of the organization does not matter.
- **Change:**
 - In our experiments, change is modeled in a simplistic way.
 - The focus is organizational change through persuasion, naturally our models revolves around the concept of persuasion.
 - If enough number of employees are persuaded for change, then change occurs.

Concepts

➤ **Persuaders and Persuadees:**

- The organization consists of two types of employees.
- The first type is an employee / employees responsible for making change happen. This type is “a persuader or persuaders”.
- When organizational change is needed, persuaders persuade other employees for organizational change.
- The second type is the employees are subject to persuasion for change. This type is “persuadees”.

Concepts

➤ **Persuasion Capability:**

- In our models, every employee has a certain persuasion capability.

➤ **Level of Openness to Change:**

- In our models, every employee has a level of openness to change.

➤ **Persuasion:**

- Persuasion is the key method for making change happen in our models.
- Persuaders persuade other employees with many different approaches such as training, seminars, installation of various procedures, using certain motivators, or simply by talking.

Concepts

- We model the persuasion level of an employee using the formula below:

$$\begin{array}{l} \text{Persuasion} \\ \text{Activity} \\ \text{Effectiveness} \end{array} = \begin{array}{l} \text{Persuasion Capability} \\ \text{of the Persuader} \end{array} \times \begin{array}{l} \text{Level of Openness to Change} \\ \text{of the persuadee} \end{array}$$

Study Assumptions

- **Assumption 1:** Persuasion is the only method used for change in the models.
- **Assumption 2:** Except persuasion all factors regarding change stays the same for the approaches subject to this study.
- **Assumption 3:** The persuasion capability and the level of openness to change of the employees in the organization have a normal distribution.
- **Assumption 4:** Only one-way positive persuasion between persuaders and persuadees occurs. One-way positive persuasion means that persuaders only try to persuade the other employee for the benefit of the change.
- **Assumption 5:** The effort and the duration required for change are not factored in the models.

Organizational Change Models

➤ Four organizational models are investigated.

Model 1: Organization Manager as the Persuader

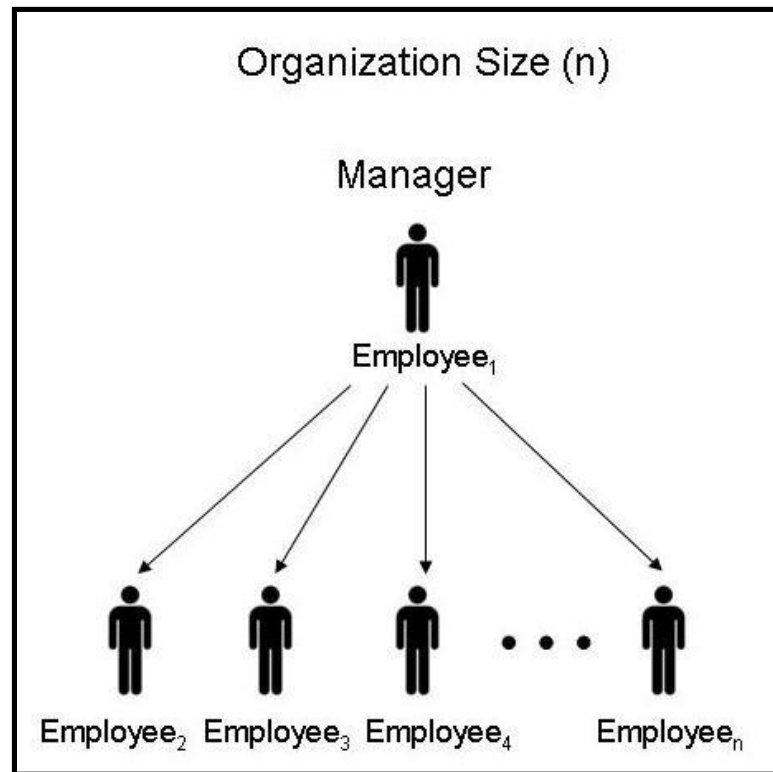
Model 2: Most Persuasive Employee as the Persuader

Model 3: Organization Department Managers as the Persuaders

Model 4: Social Hubs in the Organization as the Persuaders

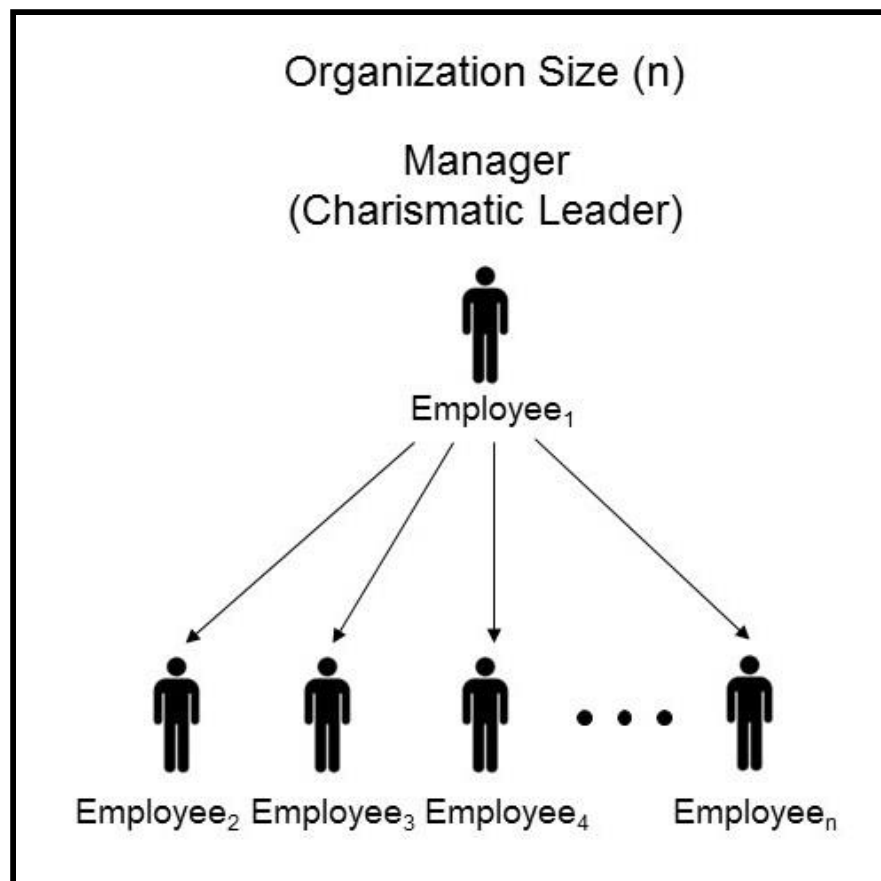
Organizational Change Models

➤ Organization Manager as the Persuader



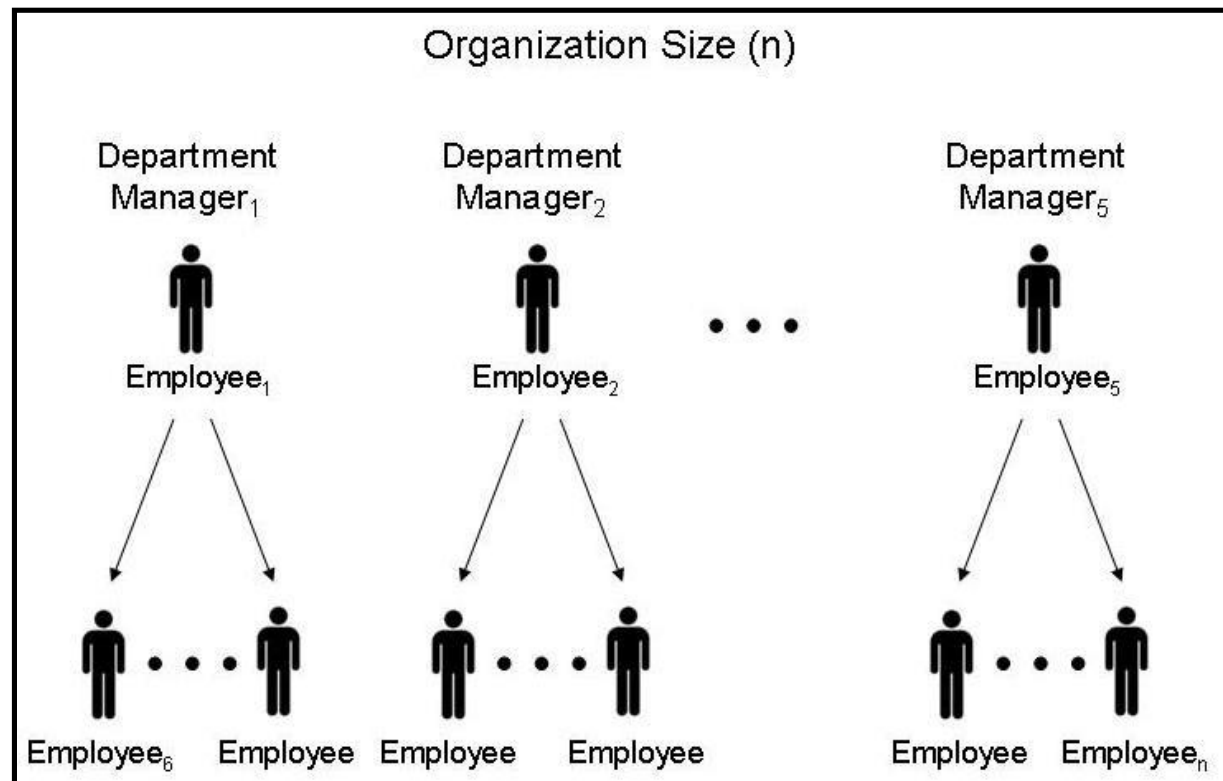
Organizational Change Models

➤ Most Persuasive Employee as the Persuader



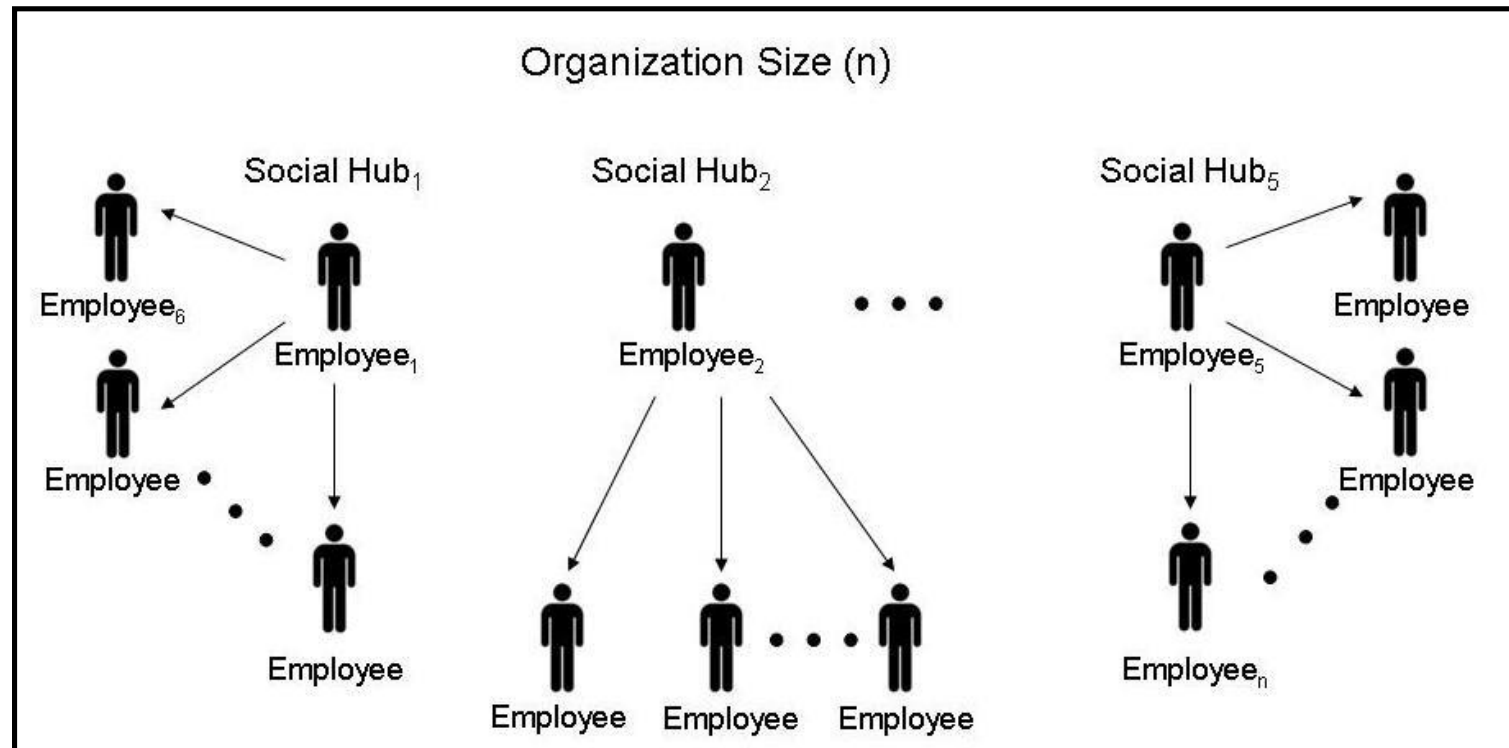
Organizational Change Models

➤ Organization Department Managers as the Persuaders



Organizational Change Models

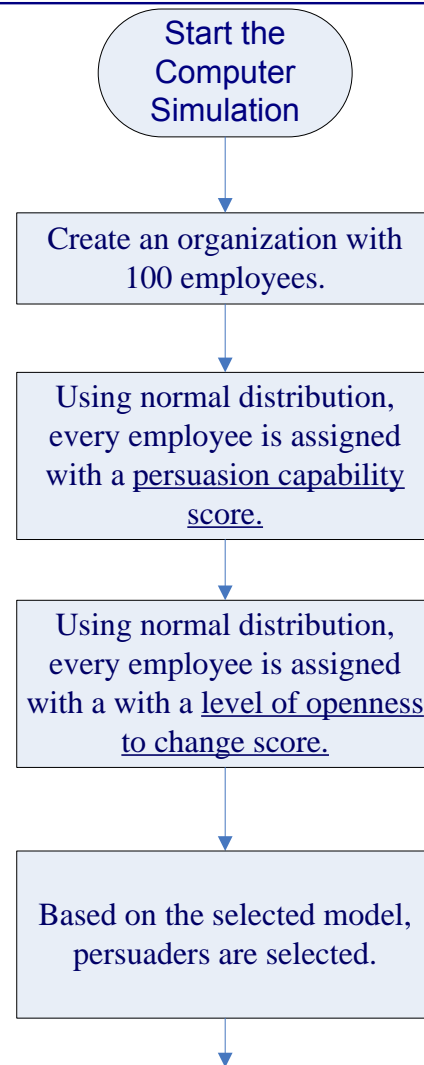
➤ Social Hubs in the Organization as the Persuaders



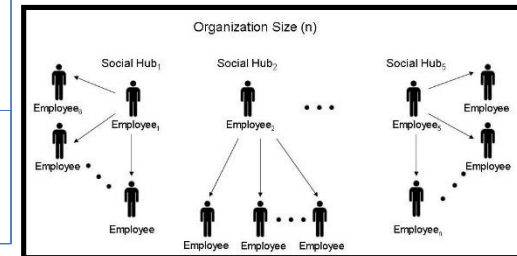
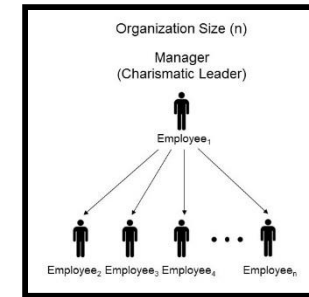
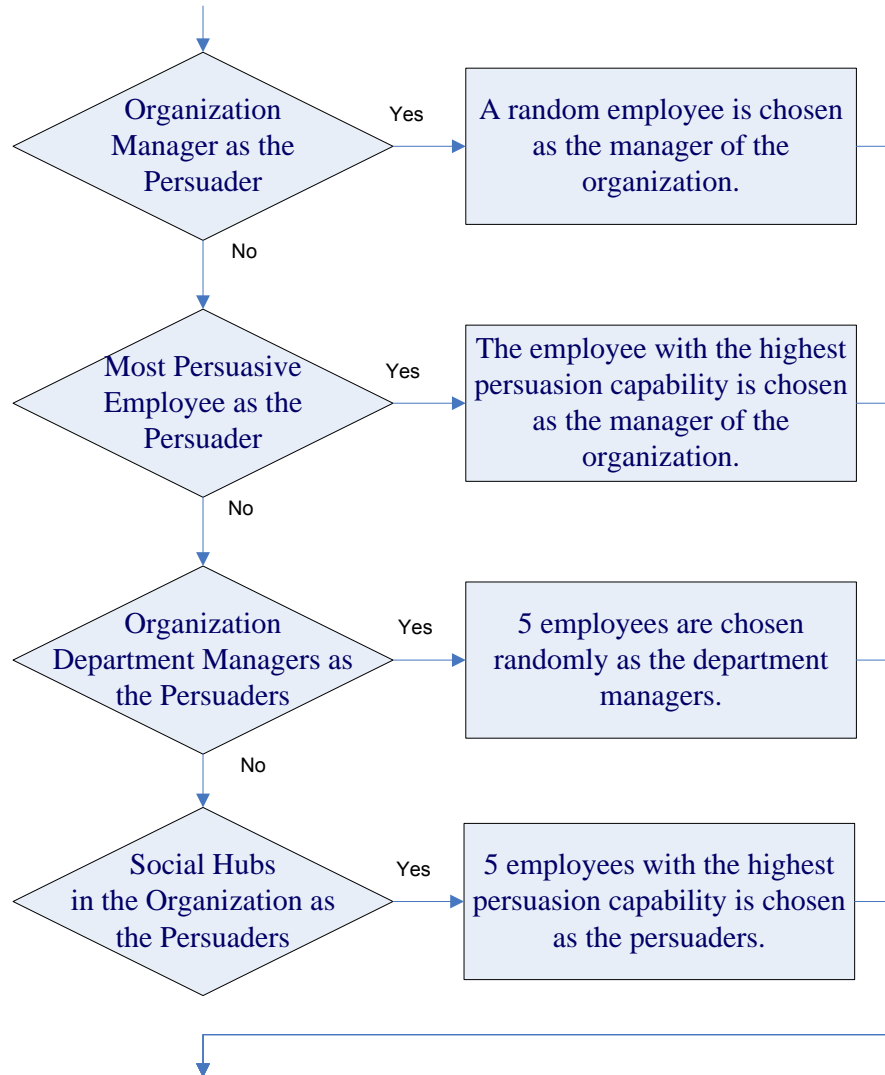
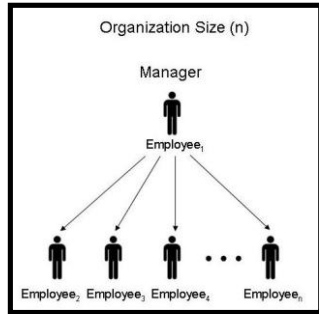
Computer Simulation Design

- To validate the concepts in the study, especially the use of social hubs, a computer simulation is used.
- Simulation Software: Matlab, a well-known tool with extensive mathematics software libraries.
- Any simulation tool can be used.
- 1000 simulation runs for each model

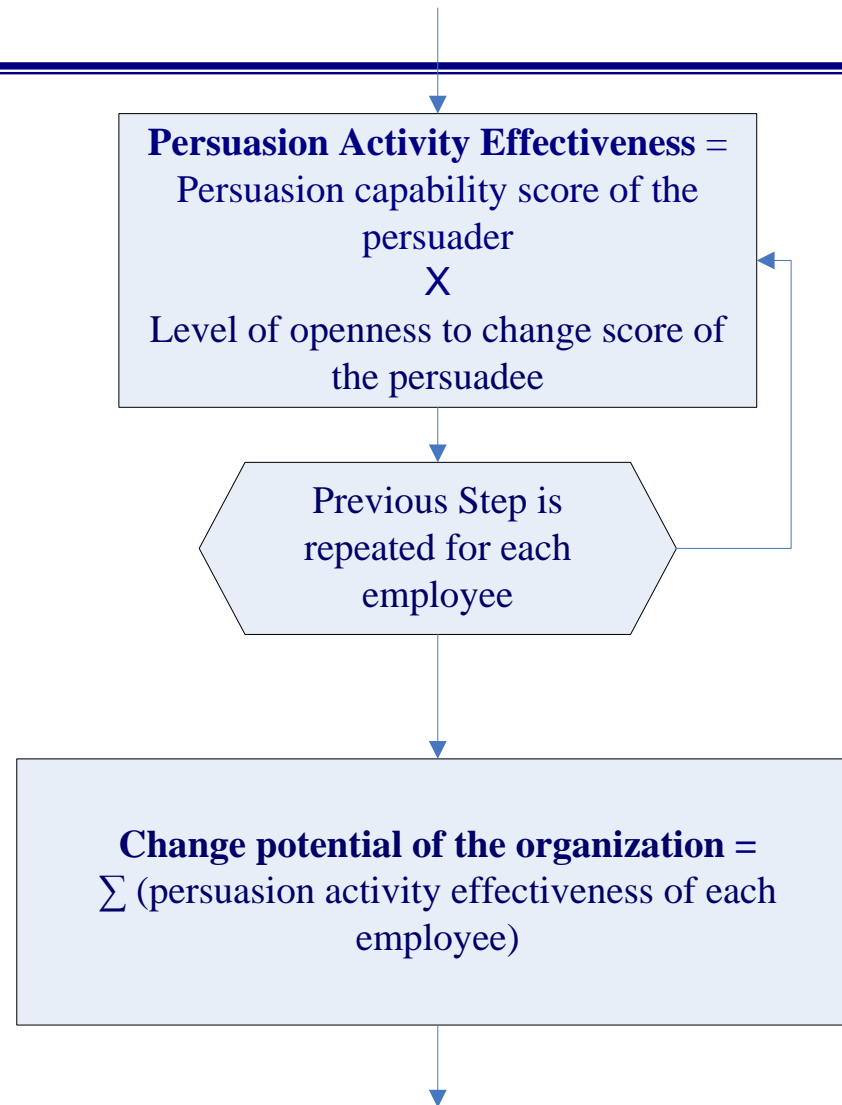
Computer Simulation Design



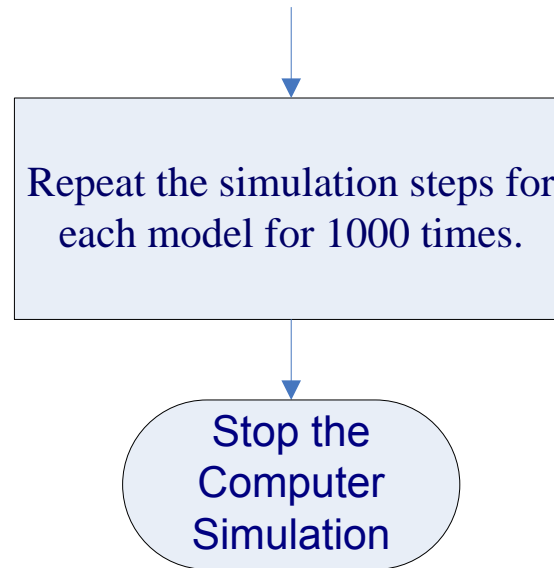
Computer Simulation Design



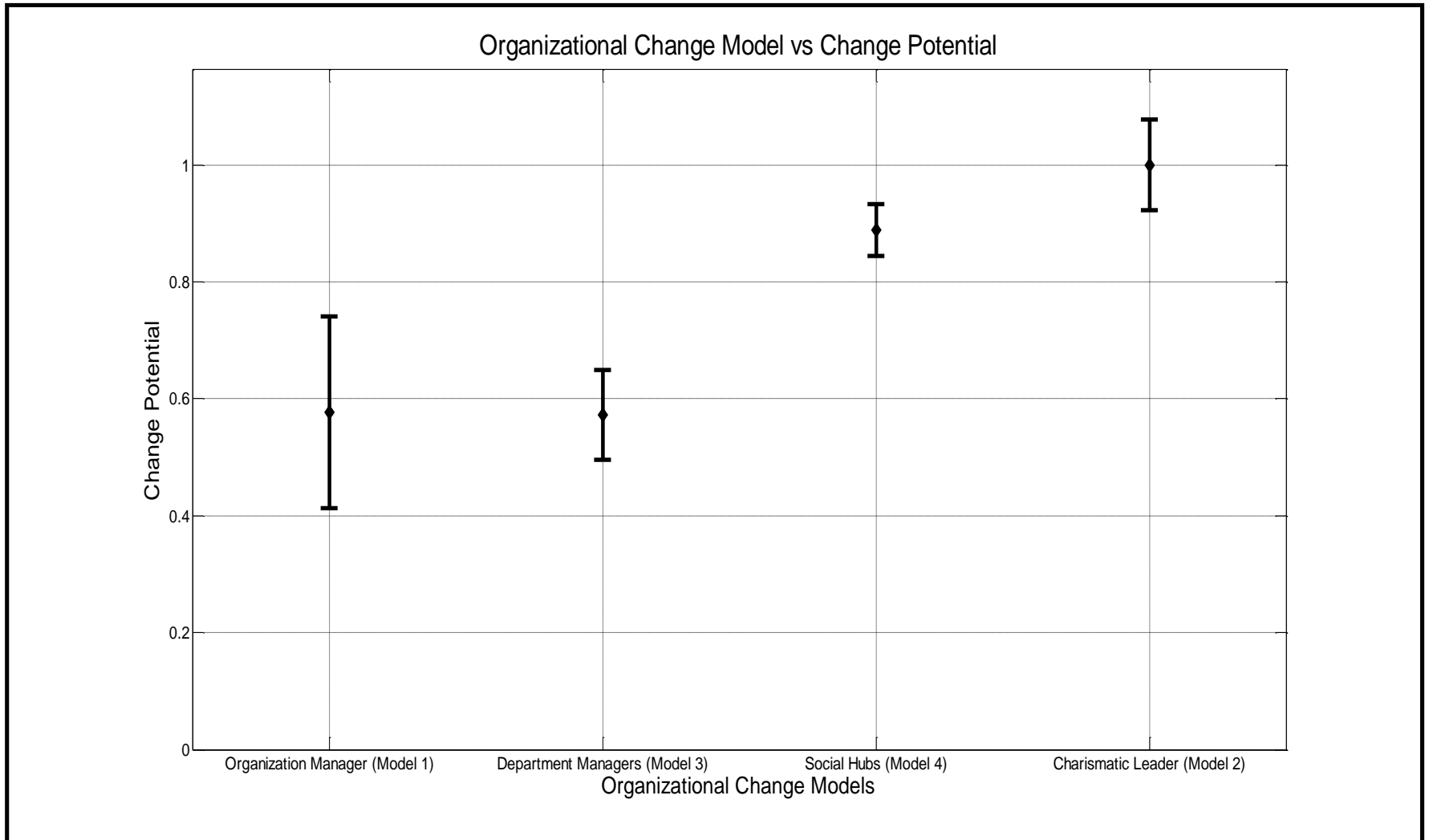
Computer Simulation Design



Computer Simulation Design



Results



Conclusion

- **The main conclusion:** Utilizing social hubs for change management has a promising potential for achieving change.
- Social hubs are a natural phenomenon. An informal structure exists in organizations.
- How do we use this informal structure for the benefit of the organization?

Future Work

- This study enables us to ask more and better questions!
- How do we identify the social hubs in an organization?
- Our definition of a social hub creates a person that is actually a mixture of Malcolm Gladwell's definition of a connector, a maven, and a salesman. Which approach is better?
- A common tool used for measuring psychological preferences in how people perceive the world and make decisions is Myers Briggs Type Indicator (MBTI). Is it possible to identify social hubs by the use of MBTI or other similar assessments?

Future Work

- What kind of persuasion activities can be used for organizational change? How do we model such persuasion activities to increase the validity of the models?
- How the duration of persuasion activities affects our models?
- In general, how do we relax the assumptions of our study?

Thank you for your attention.

Any Questions?