Managing Organizational Change

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**Introduction**

Red Carpet is a hospitality and entertainment business which deals in many divisions like hotels, food, and cruise lines. The business of Red carpet is vast spread in many states with over 200 hotels in 48 states. The company owns four different brands of hotels at 1776 locations and a total of 4 Buoy bay branded cruise ships which have been placed at various locations in the waters. Red Carpet has recently stepped into the entertainment business after acquiring a major and successfully running movie theater company, Sparkstar Theaters, adding 300 theater chains to the already well-earning business.

The company has its headquarters in Philadelphia, United States of America, where the company has its central departments of HR, Accounts, business development, sales, marketing, and research and development. The company has its divisional offices in various locations, where the divisional team of every major department is located headed by a VP, who reports to the President and CEO.

Regarding the current circumstances, Mr. Leroy Banks, the director of Change management, has politely asked me to assist him in suggesting the possible changes which can be made so that Red Carpet, the hospitality company, grows more and becomes more profitable. Here are some of the suggestions that I would like to present, as per my observations and understandings. Hopefully, they will help to take the company at a better place.

**Discussion**

**HR Department Issues**

First of all, it has been observed that there are some serious issues going on in the HR department of the company. The environment of the company is very informal and organic, which makes the employees take the policies non-seriously. The policies, which are present, are not enough to keep the employees bounded and failed to define an employee's behavior. The management should give serious attention towards the HR department and make it more emphasizing so that employees can communicate their concerns easily to the higher management and employee relations issues can be resolved (Hassan, Hassan, & Shoaib, 2014).

On another note, it has also come into the notice, regarding the HR department, that employees face great difficulties while filing legal matters of the company, like union matters and pension-related matters. Due to a weak HR system and feeble HR practices, employees have to have to wait for long times regarding their legal issues, and their concerns remain pending. On another hand, trainers are outsourced from other agencies and organizations which is an extra burden on the budget of the company. And the training which is being designed mostly does not address the exact need of the company.

**Developmental Change**

The company needs a developmental kind of change, especially in the HR department. The HR department should be more developed, and more rules and policies shou8ld be designed which are both employee friendly as well as business friendly (Cummings, & Worley, 2014). In addition, trainers should be hired from inside the organization or department, which are rich in experience. It will benefit the organization in two folds, firstly, the trainer has got experience from the company and spent considerable time in Red Carpet, so he would have significant knowledge of the culture and practices going on in the organization; sec0ondly, the company will not have to bear extra cost of hiring a trainer from outside of Red carpet. The trainer, being appointed from inside the organization can train the employees at no or very minimal cost.

**Transitional Change**

Another type of change that the company will have to go is transitional change. Usually, when a business acquires another business, it undergoes various changes in processes and procedures; it replaces the old processes with the new processes, such a change is called transitional change. Such a change is very time taking and painful as it involves replacing the whole system with the new one and may cause discomfort for the employee. Employees may feel uncomfortable while moving from one system to another an even from one location to another. It may require extensive training and even downsizing, but the positive aspect is that the employees have high chances of promotions and moving to better and higher paying positions (Amado, 2018). Same will have to be done in this case, as Red carpet has recently gained the acquisition of a movie theater business, which is an entirely new field for the company.

**Key Stakeholders**

The central role, in both these changes, will be played by the employees themselves with the cooperation of middle and higher management. In the first type of change, i.e., developmental change, the main role will be played by the whole HR department, will be the key stakeholder and will be empowered with the help of middle and higher management. In the second type of change, i.e., the transitional change, the key roles will be [played by the whole organization, especially the employees working at Buoy Bay, as it is somewhat more related to the entertainment industry.

**Conclusion**

In short, it can be clearly seen that Red Carpet is already doing very well, but in order to become the best in the market and overcome the issues that it has been facing, it needs to bring Developmental and Transitional changes in itself. Red Carpet should start valuing the decisions made by the HR department and empower it more so that employee relations can be stabilized. On the other hand, for Transitional change, to be implemented, so that its new business can be flourished, proper training and guidance should be given to employees, so that they can be more productive and company can earn more profits. Hopefully, it will help significantly in solving many issues that Red Carpet is facing currently.

**References**

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