1. How does the systems effect relate to the four types of change?
2. Which type of change is the most important?
3. Do you believe that organizational change today is more slow/incremental (calm-water canoeing) or radical (whitewater rafting)?
4. Do you consider yourself to be a creative and innovative person? Why or why not?
5. Would you prefer to work during a time of incremental or discontinuous change?
6. Which stage of the change process is the most difficult to overcome?
7. Which of the five reasons for resisting change do you believe is most common?
8. Which of the seven ways to overcome resistance to change do you believe is the most important?
9. Does creating urgency really help to get people to change? Give at least one example to support your position.
10. As a manager, which, if any, OD interventions would you use?
11. Would you rather work for a small or large business? Why?

CASE: RICHARD BRANSON ON MANAGING A GROWING ENTREPRENEURIAL BUSINESS

Sir Richard Branson is the slightly eccentric founder of U.K.-based Virgin Group, which consists of more than 400 companies around the world, including the airlines Virgin Atlantic and Virgin America, wireless company Virgin Mobile, and international health club Virgin Active.[1]

Richard Branson is well known as a guru of entrepreneurship. You could call him a change agent in his own company since he is always inspiring everyone who works for him to look for industries they can enter and provide the spark for a discontinuous change on the way business is done in that industry.

Branson started his first business when he was 16 and, in 1972, opened a chain of record stores, Virgin Records, that kick-started his Virgin brand globally. His business ventures have included a vodka line, a financial services brand, a private 74-acre island for rent, and even a soft drink line, Virgin Cola.

Branson often writes about what it was like when he started his business. But, in an interesting twist, he recently wrote about what he learned as a small-business entrepreneur and how those lessons are still being applied to his modern-day business empire.

So what are the lessons he learned that he still applies? What are the similarities between managing one business and managing 400 businesses? Are any of these lessons applicable to other business owners?

1. Surround yourself with good people no matter what size your business.
2. If you treat your employees right, they will treat your customers right, and sustained profits will follow.
3. Launch a new business with the same energy and enthusiasm as you did with your first business—it will help create momentum.
4. You have to win customers away from your competitors. You have to surprise and delight customers by offering something different.
5. You have to experience failures changing your business along the way. It takes experience to properly change your internal management structure to match external opportunities to work with new partners and start new businesses.
6. Although making decisions with your gut is important, Branson now uses teams of people to analyze data about economic, consumer, and population trends while looking for new products and opportunities. He believes that the education and health care industries are looking for opportunities to work with successfully branded companies.[2]

Branson believes his main goal is to change industries—not just keep them the same. He feels that trying to change industries makes employees want to achieve more than what competitors have ever achieved in their industry.

If you read enough of Branson's books and articles in entrepreneurship magazines, you will realize he brings his eccentric behavior to classic organizational change concepts such as leadership, building teams, managing the change process, creating discontinuous change in industries, being willing to take a risk, and developing your organization. Branson is a little like that eccentric uncle who comes over to visit once a year—except he runs more than 400 companies and is one of the richest men in the world after starting his million-dollar empire from scratch. Things have changed since Branson started in business, and global competition is pressuring Virgin to change. Will Virgin continue to be a change agent or become a reactor to change?

Case Questions

1. Is the pressure for Sir Richard Branson to change Virgin's business strategy coming from the internal or external environment?
2. In order to better compete with its rivals, should Virgin focus on a change in strategy, structure, technology, or people?