

6.1.5: Why It Matters- Organizational Change

Why learn about the impact organizational change has on individuals and the workplace?

In January, 2018, the Money Talks Newsletter posted a story called “22 Iconic Brands that Could Disappear in 2018.” It highlighted the likes of Sears, Toys R Us, and Payless Shoe Source, as well as Harley Davidson, Old Country Buffet, and Vitamin World. The reason was not just lackluster profits. In its summary story, business writer Donna Friedman said:^[1]

Some of these companies are victims of the e-commerce age: Why drive somewhere and maybe pay to park when you can stay home and order online instead? Or they’re facing too much competition from similar retailers chasing the same consumer dollars.

Still others fall prey to changing tastes: What worked for the baby boomers, or even for Gen X, won’t appeal to millennials and Generation Z.

Over 2018, these businesses each made changes trying to stay in business. Some stores have moved away from brick-and-mortar stores, relying solely on online retail, others changed names or strategies, and some filed for bankruptcy. While Toys R Us’s last store closed on June 29, 2018, they will reportedly be back for the holiday season of 2019.^[2] Other stores are still waiting to see if their changes have paid off.

The constant behind all of them is change. Companies who don’t anticipate change, don’t manage it well or, in the worst case, ignore it, are apt to show up on this list. In order to stay competitive, companies have to be able to respond to the ever-changing environment and external changes—like economic changes, technology changes, consumer taste changes—and continually respond in order to produce the products and services their customers want. The best companies will even innovate and drive change, providing the industry disruptors that put them ahead of competitors and in a class all their own.

Why does change matter? Most would argue that it’s about the only thing that matters. Everything you’ve learned about organizational behavior up to this point is preparing you for this.

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1. Freedman, Donna. "22 Iconic Brands That Could Disappear in 2018." Money Talks News. January 19, 2018. Accessed April 26, 2019. <https://www.moneytalksnews.com/slideshows/22-iconic-brands-that-could-disappear-in-2018/>. ↵
 2. McIntyre, Douglas A. "Toys 'R' Us to Be Back for The Holidays." 247wallst.com. April 26, 2019. Accessed April 26, 2019. <https://247wallst.com/retail/2019/04/26/toys-r-us-to-be-back-for-the-holidays/>. ↵

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