Change Management:
A Look at Models of Change

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Change management is in the air. Speakers, authors and organizers talk of The Alliance for *Understanding and Capitalizing on* Change (Ruben Nelson, Calgary), *Mastering Change* (a video by Mark Sanborn), *Breakpoint and Beyond*: *Mastering the Future-Today* (George Land and Beth Jarman, 1992) or *Slowly Exploding Cubicles*-the current working title of my next book. The concept of change management seems to have brought out the hyperbole in us.

- A business of change management has been created.
- Thinking about change management is unreflective-almost no critiques

In this talk I will take a critical look at:

- the approach we-and I-have been taking to change:
    - that innovation is a good thing that can be encouraged,
    - that change should and can be strategically managed,
    - that leaders are change managers,
    - that staff can be motivated to change.

My Talk:

I will discuss David Wilson's assertion in A *Strategy of Change*: *Concepts and Controversies in the Management of Change* (1992):

- that this *planned* approach to change is only one possible way that change occurs. He suggests there is another way of looking at change-as *emergent*; and
- Wilson suggests that the planned approach is internally-focused, that it ignores the environment outside the organization, and that it therefore assumes falsely that we have control over our environments.
- (Wilson was professor of organizational behaviour at the University of Warwick and director of a distance learning MBA program).

From My Perspective:
- This is a potentially devastating assertion that could destroy the claims to universality of the approaches we have been taking in government more and more for 15 or 20 years–or 25 or 30 years (another story).
- It asserts that variations within the dominant model all follow the enterprise model.

Important to me because:
- We have chosen one of these interpretations–the planned approach – in the Government of Canada

- I have been promoting innovation–have I fallen into this trap? - Although I have been uncomfortable about the way innovation is treated in the Government- where we have instructions to innovate "the way I say" and there is a distinct lack of doubt.
- The planned models make assumptions about innovation:
    - That innovation is a good thing
    - That there is one best way to do it and one best direction to do it in. We will come to understand why this evening.
- I've been trying to understand the innovation process in my new book - using the innovation process in the Saskatchewan government as an example.
    - The organization development models that I will describe tonight helped me to understand the choice made by those who study innovation to move away from a determinants approach to a process-oriented and case-study approach in the late 1970s and 1980s.
        - That change in thinking paralleled the changes that occurred in the thinking Wilson refers to, and some of his references overlap with mine– so we are drawing on some of the same ideas.
- I've also been writing and thinking about motivation, leadership and organizational culture. According to Wilson these concepts are all part of one way of looking at change, and are therefore limited, ignore much of reality, and paint reality in a pretty simplistic way. I'm not happy to hear this.

Structure of the Discussion:

Please give me your advice on whether I should change my mind about innovation–is it a good thing, should I be promoting it, is the concept bound to a certain way of looking at the world?

The issues we are discussing tonight draw on many fields:
- organizational development
- sociology
- psychology
- political science
- political philosophy

All have things to say and positions on the issue of change, how it occurs and whether it can be managed.
- Will try to share a coherent and integrated sense of what I found most interesting.
    - Not an expert, may make (hopefully not fatal) errors.
- Hope to decide whether I need to change my mind about innovation

Change Management

David Wilson concluded that there are two key dimensions that differentiate thinking about change, described as:

- The Voluntarist-Determinist Dimension: Planned and Emergent Change
- Change as a Process or Change as a Problem of Implementation

Dimension I. Voluntarism-Determinism: A. Planned Change

Elements of Planned Change:
- Managerial voluntarism (choice)
- Management theory
  - behavioural, not for example, a focus on the role of intellect, ethics, aesthetics
- Planned strategic change, i.e. smooth transition from a previously articulated strategic vision towards a future desired state
  - Varies from psychological models through organizational development
  - Programmed packages e.g. TQM, some management training

Phenomena associated with planned change:
- Close links between academia and government/business
- Emergence of Human Resource Management
- Management training, predetermined competencies
- Certainty

Involves a Range of Approaches:
- behavioural
- structural
- cultural

Levels of analysis available:
- Organizational behaviour
- Organizational analysis (emphasizing processes)
- Organizational theory: change is not a fact but a perceptual phenomenon

Types of Change:

1. *Changing the Behaviour of Individuals.*
   - Includes organizational development and behaviour modification.
   a. Organizational development
   Based on the principle of achieving consensus and participation between individuals
   b. Behaviour modification
   Includes motivation, reward, learning, organizational culture

The change process:
Managers articulate a vision, individuals are persuaded to "buy in"-this involves modifying people's behaviour. Behaviour modification is used: *appropriate* behaviour is reinforced, inconsistent behaviour dissuaded.

Concepts:
- Motivation, learning theories, reinforcement, conditioning, management training and development. These sound familiar to everybody in government today.

Difficulties:
- Extent to which individuals are required to change their behaviour.

2. *Improving the Analytical Ability of Individuals*
- Focus is on helping individual managers analyse change, predict consequences and handle resistance and blockages.
- One approach: Force field–analysis of restraining and driving forces.
- Can be normative: *should*...
- Contingency frameworks (when......then......) E.g. Courses on negotiating skills

3. *The Concept of Organizational Fit   Neo-Taylorism:*
- Frederick Taylor (1911) introduced the concept of scientific management and one best way of organizing. He created efficiency-based routines that became the basis of assembly-line manufacturing.
- Today there is again one best way, but now concerned with the structure and culture of organizations.

Currently the one best way is:
- The enterprise culture
- Team-based cultures to foster innovation and entrepreneurialism
- Dominant Paradigm:
    - Best practice approach
    - Increased faith in consultants, change agents & gurus of organizational change
    - Wilson notes the increasing ideological intensity of the enterprise culture

The Question of Authenticity:
Adorno (1973): many theories assume an authenticity and applicability that is not always justified. Everything is contextually bound and therefore subject to interpretation. The "jargon of authenticity" in which meaning and reason are inherently biased produces a "mystification of the actual processes of domination" (Adorno, 1973, viii) (my emphasis). This produced in turn an attitude of trustful reliance (p. 24). What is considered best practice, for example, is actually contextually bound and therefore open to different interpretations.

Enterprise Culture:
Management gurus, change agents and best practice are locked into the central themes of the enterprise culture.

Economic characteristics of the enterprise culture:
- A continual process of privatization
- The deregulation of industries, esp. financial services
- The structural reorganization of publicly funded bodies
- A reduction in reliance upon the culture of dependence throughout all organizations and business sectors.

Socio-cultural characteristics of the enterprise culture:
- The view of competitive market organization becomes the dominant role model for all others, including pubic statutory agencies and the voluntary sector
- The vocabulary of management theory becomes predominantly that of commercial practice (e.g. niche market, sustainable competitive advantage)
- There is a noticeable trend towards the homogenization of organization models. All organizations are normatively encouraged to adopt commercial modes of operation, especially where they are expected to lead directly to increased organizational performance and success
- The idea of running even one's own personal life as if it were a business is highlighted.

Enterprise Culture is Associated with Post-Fordism:
- Fordism was the long period of economic growth circa 1930-70 and its industrial and economic organization.
- Post-Fordism = enterprise culture
- The emergence of enterprise culture and Thatcherism are closely interrelated (Jessop et. al. 1988)

Of critical importance is the normative influence such a context has upon the management of change:
- Firms (governments) should change towards specialization, subcontracting many areas of production.
- Firms (governments) should employ multi-skilled full-time workers alongside part-time, contracted and other temporary workers.
- Firms (governments) should adopt decentralized, lean structures and should create organizational cultures that allow individuals to become fanatical adherents of the aims and values of the organization (see Kanter, 1989 (manager as a *change master*)).
- The management of change becomes a managerial prerogative with specific skills.

This approach permeates organizational theories in most of the western world today and supports the belief that planned change is possible

The Choice:
Wilson suggests that whether we view this normativism as broadly correct or as *authentic jargon* depends on the extent to which we support the evidence that change is a planned process amenable to being directed by managerial technique and action or we support the counter-evidence that change is an emergent process. I'm inclined to be less exclusive-I'm skeptical of either/or choices and *one best way* of any sort; however-

Dimension I. Voluntarism-Determinism: B. Emergent Change

Determinism
- e.g. business cycle.
- Built on the theme that empowering managers to plan for change ignores the impact of wider and more determinate forces that lie outside the organization.

Creates Concept of Open systems and Related Approaches:
- An organization as an interdependent piece of a much larger whole.
  - - Not just determined by aspirations of managers, ministers and public but by characteristics of the wider organization and environmental linkages. P. 42

Open Systems Are Characterized by:
- Equifinality: Choices are available concerning the design of internal organization. No one best way.
- Negative entropy: The predisposition to decay and disintegrate can be halted, sometimes reversed.
- Steady state. Not equilibrium.
- Cycles and patterns: Use concepts like reciprocal, cyclical, single-loop, interacting loops, tangential factors.

Consequences of these characteristics:
- Variance within an organization can be explained by factors outside.
- Comparative studies are much easier.

Two examples of open systems:
- Population ecology
- Life cycle analyses

1. Population Ecology Model
An organization is one member of a set of similar organizations (*the population*) e.g. federal and provincial governments

- organizational change and survival are an ecological process in which demands from the environment can result in the demise of weaker organizations and select out stronger, more dominant organizational forms.

Three processes at work:
- the creation or birth of new organizations
- the disappearance of existing organizations, and
- the transformation of existing organizations into new forms.

Key Concepts: Environmental Niches and Organizational Strategies Environmental Niches:
- Strategic change processes are aimed at achieving and sustaining a position within the general population of organizations (e.g. federal-provincial governments)
- Niches represent the constellation of resources that support or inhibit organizational change (p. 44)
- Niche width is determined by the combination of general resources and factors specific to a sector such as business cycles, rates of innovation, union policies, the economy, and government policies, regulations and fiscal trends.
- Populations exist within each type of niche (e.g. strategic groups of Porter (1980) that tend to adopt the same strategies). Organizations that operate in similar (business) sectors frequently adopt the same strategies, aka recipes (Grinyer and Spender, 1979)

- Populations of organizations with a broad environmental niche are generalists. They can transform or reproduce themselves with relative ease. Specialist organizations have a narrow niche, and perform best in environments that are stable or change slowly and predictably. They have specific resource requirements and serve tightly defined markets. They can build flexibility into their structures.

Organizational Strategies:
- The pursuit of particular strategies by some organizations which differ from sector recipes can temporarily upset the equilibrium of the wider open system, e.g. more efficient use of the existing resource base, acting on new information, strategies based on culture (mix of structure, processes and people) or new technologies. This creates temporary disequilibrium. It also causes the organization to focus on certain issues, e.g. management of organizational culture, search for and adoption of new technologies.

Ainsworth-Land, George: (model CCMD uses): Grow or Die, the Unifying Principle of Transformation. N.Y., Toronto: John Wiley, 1986:

"An understanding of evolution requires both the Darwinian idea of incremental change and (Stephen Jay) Gould's concept of nonlinear leaps to new levels of organization." P. xi

He also said: "This example demonstrates an important principle of transformation theory: when two or more opposing arguments are presented, both or all are correct - in part." P. xi

He describes his book as being about cycles of growth and evolution, and change. P. xii

2. *Life Cycle Analyses (the other type of open system explored)*
- Focussed on the deterministic potency of organizational age and development over time.
- Change is a transitional concept, only understandable over time (most theories do not deal with time–a major weakness).
- At its most extreme, this perspective argues that organizations adopt evolutionary, incremental strategies of change in times of stability and revolutionary change strategies between historical periods.

What is the life cycle?
- The life cycle is birth, transformation and death of organizations. Each stage provides the context for particular change strategies.
- The life cycle can be viewed as the deterministic process of bureaucratization as organizations grow.

A typical life cycle pattern (four stages):
- *Entrepreneurial stage:* First task is to manufacture a product or provide a service. Key issue is survival.
- *Collective stage:* Organization begins to take shape. Professional managers are recruited, departments and functions begin to be defined. The organization has begun to establish its position, internal tasks are allocated and who has responsibility and autonomy to carry them out becomes pre-eminent. Division of labour is established.

- *Formalization stage* (systems of communication and control become more formal, there is a need to differentiate between tasks of top and lower-level management; systems of coordination and control emerge.
- *Elaboration stage (*strategic change): Requires learning of new skills to achieve change, may include rapid turnover of managers.

So-the voluntarist-determinist dimension includes two types of change-planned versus emergent (or enterprise culture versus open systems).

Dimension II. Is Change Predominantly a Problem of Implementation or is It a Process?

A.   *If Implementation:*
- Places the management of individuals at centre stage.
  - in the extreme this can involve the manipulation of individuals
- Preconceived models of change, with the aim of achieving a particular set of expected, predetermined and desired outcomes.

B.   *If a Process of Change:*
- Objective is to examine critically the context, antecedents, movement and history of changes, keeping an analytical eye on the organization theories-in-use that inform such an analysis.
- The examination of context is a huge undertaking that requires a synthesis of: - understanding of the environment,
  - understanding and characterization of strategic decision-making processes and
  - characterization of transformation and change in specific organizations
  - I have been attempting to cover these areas in my book, and it is indeed complex.
- Many authors attempt to span both implementation and process, but these people tend to emphasize the process (this is probably what I am doing).

Conclusion

This helps me to explain the magnitude and difficulty of the task I have taken on in trying to describe the process of change in the innovative Saskatchewan government of the 1970s.

My Talk has Tried to Clarify:
Planned versus emergent change
Change as an issue of implementation versus change as a process

What do you think?

- Do I need to change my mind about the benefits of innovation?
- Is the enterprise culture or an open system model a better reflection of reality?

About the Author:

Eleanor Glor has worked for three levels of Canadian government & is the Editor-in-Chief of The Innovation Journal: The Public Sector Innovation Journal (www.innovation.cc).

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