The Myth of Managing Change

Summary

This paper explores some possible reasons why despite the tide of interest and the surfeit of books and papers, the phenomenon of organisational change remains stubbornly resistant to attempts to manage it. I intend to draw a fairly broad distinction between two types of change which I have called 'improvement' and 'fundamental shift'. While improvement is doing things better, and is something which all managers are paid to do, fundamental shift implies a shift in some of the deepest held assumptions about the particular organisation, and indeed about the nature of organisation itself. Our mental model of how organisations change is embedded in these assumptions which have, by definition, sunk out of awareness. The paradoxical problem in setting out to 'manage change' is that we are attempting to bring about fundamental change from a model of change that derives from the very assumptions which need to shift.

I will then look at some problems with current approaches to 'managing change', in particular the use of visioning, and what we have come to call 'resistance'. My hypothesis is that most of these approaches are derived from an 'improvement' paradigm, and that they can by definition, only produce more of, or less of, the same. I will then suggest an approach to working with change which is in itself paradoxical; it advocates a **deep** exploration of 'what is', out of which will emerge the energy and the possibilities for something different. This 'theory' of change derives from Gestalt Philosophy.

Finally, I will offer some thoughts on the changing role of the manager in fostering more responsive, 'learning organisations'. The views and hypotheses in this paper arise from my fairly lengthy experience both as a practitioner in the field of organisational change and as an individual psychotherapist, and from observing and experiencing the interconnectedness between the two fields.

Change - metaphors and definitions

Morgan, (1986) pointed out the way we use different metaphors to inform the way we think about organisations. The metaphor in use, he suggested, acts like a filter which enables us to see certain colours and not others; thus we pay attention to some aspects of the phenomenon we call organisation and not others. For example, people who see them as machine-like in the way they work, are likely to pay attention to achieving role definition and relational clarity, establishing standards and monitoring procedures and building control mechanisms etc. They would be unlikely to pay the same attention to culture, and in his excellent book, Morgan elaborates very fully the possible implications of using different metaphors.

These metaphors, (the image of an organisation we carry), contain our assumptions about their nature, and it seems to me they will also contain an implied <u>model</u> of organisational

change. In my experience, despite some shift in language and conscious thinking, the predominant model of change is still one of 'managed improvement', and the underlying metaphor from which this springs is essentially a mechanistic one, with its associated assumptions of hierarchy and control. It appears to me there is some loosening of this collective organisational mind-set; 'new paradigm' thinking has of course been in the ether for some time, and many managers now talk of chaos as a phenomenon which has entered the realm of things 'to be managed'. And there we have it. Merely understanding something barely makes a dent on a powerful unconscious set of assumptions.

I think as developers or consultants we also get wedded to our change metaphors and come to believe in their comprehensive explanatory power, rather than their partiality, their contingency and their temporality. It is interesting to consider a few of the different definitions of change currently in vogue, and notice the metaphor which appears to be in use. For example we can reasonably infer a machine metaphor from the term 're-engineering'. Transformation suggests either a biological metaphor, of the caterpillar into butterfly variety, or a spiritual one implying a shift in awareness towards enlightenment, while the quality movement seems to have its roots in a 'service' metaphor, with its well know focus on continuous improvement. Each of these metaphors contains different assumptions about the nature of change, and offers some kind of change model. The problem is that in most cases the assumptions are not surfaced and articulated, so the model tends to be left suspended as an article of faith, and articles of faith acquire ardent believers rather than collaborative inquirers.

An organisation is a unique phenomenon, and I think that theories from the natural sciences, from cybernetics, from engineering, from psychoanalysis, from biology, from quantum mechanics can all inform and broaden our perspective, but should not be allowed to dominate our thinking and practice, and become part of a new ideology which we seek to impose on organisations.

My Assumptions about Change

In the spirit of inquiring into different assumptions and models of change, let me put my own cards on the table. I am unhappy about the idea that we can manage change; my own assumption is that change is a natural, or co-created phenomenon which we cannot control. Natural cycles and forces are constantly at work, such as the process of cellular renewal in a human being, or the yearly drift of continents, and we do not manage them, indeed we are barely aware of them. Much of our scientific progress is based on an assumption that man can, and has the right to dominate and control his environment. This assumption is proving increasingly presumptuous and dangerous. Our interventions are producing unintended modifications to the ecosystem, which in turn induce modifications to patterns of human life, and so on. It seems that change is both cause and consequence of our **interactions** with our environment, and as the magnitude and the complexity of the whole system in which we live is, by and large, beyond our comprehension, the limitations of the cause and effect model of change become ever more apparent. All that we can seek to manage are our own **responses** to change.

If we assume that our 'environment' is in the long term beyond our control, and that it is in a constant process of change, what becomes focal for human beings and organisations is their capacity to adjust, to stay in harmony with it. In the field of Gestalt, the capacity to stay in healthy relation to one's changing environment is referred to as '**self-regulation**', and it is this process of self regulation which constitutes my field of enquiry.

One of the assumptions in Gestalt thinking is that self-regulation is **natural**, and only becomes interrupted by environmental interferences, such as parents, events, experiences which are neither bad nor good but inevitable, hence the extent of alignment or misalignment between the subject and its environment and any impairment of the capacity for self-regulation broadly defines the problem area in any therapeutic initiative. Although some of the assumptions may be different we can see how the approach is similar in many psychotherapeutic models which are concerned with how the natural development of the child is interrupted and how **fixed patterns of interaction** are sustained.

Embracing Disequilibrium

An organisation is not the same as an individual and the psychotherapeutic metaphor can be applied with the same disregard for what it excludes as other metaphors; nevertheless there is an important similarity. As with individuals, organisations are maintained by a system of beliefs, about how to survive, how to relate to their environment etc. Indeed we might argue that the essence of an organisation is the system of beliefs and perceptions that constitute it. The balance sheet may be what defines it for an accountant, but for those who work in it, it is a phenomenon, part shared and part personal. The shared beliefs are what is often described as 'the glue'. Shein, (1986) talks about 'basic assumptions' as the roots of organisation culture. These basic assumptions inform all transactions both internally and externally and give rise to **stable patterns and routines**. Here the direct parallel between individuals and organisations ends, because for most organisations the basic assumptions began as conscious choices which led to success, as opposed to unwillful and mainly unconscious adaptations in order to survive. The stable patterns and routines are therefore embedded in powerful, historically validated assumptions, which lead to valiant efforts to maintain and improve them.

Most of our experience with organisations is of periods of relative stability, which seem to be getting shorter, punctuated by short periods of turbulence or disequilibrium, which we are given to believe are becoming more frequent. During the period of stability organisations concentrate on improvement, and during periods of turbulence they seek to 'get back' to equilibrium; the process of continuous improvement is viewed as the norm, and periods of disequilibrium as an unwelcome aberration. It is understandably difficult to embrace the disequilibrium, the period of inevitable seismic adjustment when the old pattern of beliefs can no longer accommodate the new order, and yet this is the problem that many organisations, at this point in their history appear to be facing.

Reasons for the Failure of Change Initiatives

In these organisations there is much talk of the need for change. It has always been understood that good management is about improving things, but managers are experiencing a new phenomenon which is not susceptible to conventional management techniques. Much of the response consists in trying to do things faster, providing better customer service, and in draconian cost cutting measures. My contention is that many organisations have reached that point where a fundamental shift in their assumption base is needed, and they are not yet seeing this distinction between improvement and fundamental shift. Organisations tend to tackle fundamental change by applying improvement techniques, so what results is more of the same, including more work and more stress. At a recent workshop with Richard Pascale, who is a proponent of the need for a fundamental shift in what he calls the organisation's 'context - the underlying assumptions and invisible premises on which its decisions and actions are based', one manager eventually burst out: "I don't believe in breakthroughs - fast incremental change is what gets results".

This problem is perhaps best described by Watzlewick, Wheatland and Fish, (1974) as "Second Order Change". First order change is synonymous with improvement, when one is working within the current box or frame. The frame is described by a set of assumptions about 'how things work'. Within this frame things can go on being improved until the limits of the frame are reached, at which point a paradigm shift needs to take place. Kuhn, (1962) wrote extensively about the creation and destruction of paradigms; the technologies for managing improvement, such as planning processes, project management techniques, performance management etc. are well known; however they **only** work within the current paradigm because they derive from it. The most frustrating experience for managers engaged in change initiatives is that despite their best endeavours, they do not experience the real shift they had planned for; plus ca change, plus que c'est la meme chose. According to Watzlewick et al. this is inevitable; to move to a second order of change something quite new is required, but exactly what, of course, cannot really be known. Hence, while improvement is incremental, fairly predictable, usually imposed from top to bottom and therefore mainly plannable, second order change is discontinuous, unpredictable and unplannable.

It is of course very hard for managers who have struggled to the top of their organisations, to accept that the rules by which they played need to be fundamentally changed. They are usually willing to make substantive changes to the way work is done, often involving what appears to be quite major restructuring, but they are understandably unwilling to question the fundamentals, such as the distribution of power, the inherent hierarchy and related principles of reward; the role and purpose of management, the purpose of the organisation, in effect the deep cultural patterns, routines and assumptions of the organisation which lie at the heart of the current paradigm.

Prevalent Approaches

1) Planned Change

Mintzberg, (1994) in an article on strategic planning says: "The problem is that planning represents a *calculating* style of management not a *committing* style. Managers with a committing style engage people in a journey...........everyone on the journey helps shape its course".

Many text books on change would argue that the starting point for an effective change strategy is to create a vision that articulates the desired future state, and forms the basis for alignment between 'the organisation' and its members, followed by a diagnosis of the problems which need to be overcome in order to reach the desired goals, leading to some kind of 'change plan'. This is the approach which many change initiatives actually adopt and in my view it gives rise major problems;

- It encourages a top-down, linear way of thinking about change, and it assumes that the outcomes of a change 'programme are predictable, and that change can therefore be 'managed'.

- It tends to exclude the majority of the organisation's members from participating in shaping the vision.

- In treating a vision as a desired future state which has to be reached, it assumes a fixed, idealised quality. Idealised states are of course unattainable; while the vision may have inspired some people at the outset, when it becomes apparent that it is not being reached people become disillusioned and depressed.

- The 'vision', by this time immortalised in company statements, enshrined in company folklore through countless presentations, cannot be abandoned, and efforts are redoubled to reach it; it is of course part of the current paradigm that to modify or abandon the vision would be perceived as 'failing' or giving up, or would appear seriously indecisive. Hence senior management become heavily invested in maintaining it and proclaiming its necessity for organisational survival into the future. This rather fervent proselytising can have two further ill effects:

It implicitly denigrates the present and past; staff who have built their career with the organisation will derive part of their sense of self-worth from their achievements and their identity with it, and this is now being undermined, so they may feel a mixture of guilt, (because they are now 'not OK'), and anger, as well as a sense of loss;

Also, the gap between the desirable future condition and the present state is so great that people get scared, not least because they assume from previous experience that in the end, despite all the talk of participation, empowerment and the rest, the vision will be imposed from the top.

These understandable reactions are then labelled **resistance**. The logical next step of course is to overcome it, and treatises on this subject abound in the change literature.

2) 'Resistance to Change'

Fundamental change is a phenomenon which cannot be understood in a linear cause-effect paradigm, and resistance is a **consequence** of applying 'change management' thinking which is embedded in that paradigm. Kurt Lewin's force-field theory suggested a long time ago that opposing forces maintain a state of equilibrium, and that increasing one force, or pushing, merely increases the resisting forces. As a result of trying to 'manage change', we have come to assume that resistance is natural, that everyone is reluctant to change. This is not surprising if we are pushed, sometimes implicitly threatened, or if the process requires that we feel bad about ourselves. However, my experience with individuals is that they want to change; sometimes they find it hard, usually they are a bit afraid of letting go of familiar and comfortable routines, but mostly they are excited by the possibilities.

A new value is emerging, that by and large people have a natural desire and capacity to learn, grow and change. This seems to be reflected in the increasing importance many organisations are attaching to the development of people as a core process; indeed development is gradually coming to be seen as a primary source of motivation and reward.

So if we were to start with the assumption that change is natural, and a potential source of energy, our model of how to work with it would be different. The question which arises for those seeking to influence the change process, is how to release this natural potential within the organisation.

The Paradoxical Theory of Change.

As a psychotherapist it is taken as axiomatic that you would not offer a client any prescriptions, moral injunctions or exhortations. You start with your client, helping them explore and uncover their current reality, deepening their awareness of themselves in their current context, their beliefs about themselves and the world, and their feelings, the patterns they create in their relationships, how they come to be in their present situation, how they keep themselves in that situation, **how they would like to be different and what they need to do to change.** Note the order; it is out of their deepening awareness that the need to change takes shape and the possibilities become apparent. The need to change is theirs, no-one else's. The question of ownership never comes into question. Thus the 'Paradoxical Theory of Change' runs:

"One must first fully experience what <u>is</u> before all the alternatives of what may be, are revealed".

In organisations with their multiplicity of stakeholders it is not quite so simple; nevertheless the same principles apply. With a colleague, I worked with one of the large

management consultancies who wanted to build a public and shared set of values; the job they hired us for was to help them craft their values statement, which they were then going to launch amidst a fanfare of publicity. We managed to dissuade them from this course of action and instead conducted a number of group workshops designed to surface the currently 'enacted' values. The groups sliced across the organisation mixing status and function and occasionally selecting special interest groups like 'long-servers'. They were asked to select typical or critical incidents and describe behaviours surrounding those incidents, re-contacting their own feelings and finding recurring patterns of behaviour and emotion. This process went deeper than traditional diagnoses, cutting through presenting symptoms, going beneath the standard problem formulations to the deep cultural layer. It generated a great deal of energy, revealing profound dissatisfaction with certain aspects of the organisation and making the need for change starkly apparent. This example is referred to in more detail in an article by Critchley and Casey, (1989).

The Changing Role of the Manager

As we have metaphors for organisations, so we have metaphors for managers, or leaders as we are now apt to call them, and these metaphors contain important assumptions which will need to be challenged if an organisation is seeking to bring about a fundamental shift. The **charismatic leader** is a very potent one, as is the **power leader.** The essence of both of these is individual personality, and, interestingly, although they are both common conceptions of leadership, they actually occur quite uncommonly in reality. When they do, of course, they attract a lot of attention, thereby strengthening the power of the metaphors. The late Robert Maxwell comes to mind as typifying a power leader, and John Harvey Jones during his tenure at ICI provided a good example of a charismatic leader. The **expert leader** occurs more frequently, particularly in commercial and professional organisations; the senior partner in a firm of solicitors is likely to be an expert in some branch of the law, the Marketing Director in almost any organisation will most likely consider herself a marketing expert, and the Financial Director will in many cases be an accountant. The last metaphor which comes to mind is the **Professional Manager.** It arises from Taylor's concept of 'Scientific Management', and assumes the manager will manage the organisation by monitoring and controlling employee performance against key variables, and it is probably best typified by Arnold Weinstock at GEC. Oddly enough, although this notion has for a long time been the espoused model of the effective manager, it seems to be more honoured in the breach than the observance.

Reflecting on those four mainstream leadership metaphors, they are not of course mutually exclusive, and they all have one thing in common, they are all 'top dog' constructs, which renders everyone beneath them, by definition, underdogs. However benign these leaders may be, they inevitably foster dependence and maintain distance between manager and managed. These metaphors present a major obstacle to creating empowered, learning organisations.

It seems to me that if managers are serious about transforming their organisations, some different ways of thinking about management are called for. I would like to suggest five dimensions of leadership, which, taken together, may form a potential new leadership paradigm. The first of these is probably the most challenging to conventional thinking.

The Ordinary leader: By this I mean the capacity to be authentic, to own and express one's feelings, convictions, opinions and uncertainty, and to engage on an equal basis with those one is leading, rather than from a position of superiority. By being open and authentic, a leader removes the single biggest block to learning, the fear and dependency(or counter-dependency) engendered by superior status. The power in this type of leadership derives from **being** fully oneself, rather than living up to an image and an expectation of what leadership should be. It is both liberating and risky.

The Systemic Thinker; It has become a truism that organisations are becoming more complex as they become flatter, more decentralised and more transnational. Instead of pyramids they increasingly resemble complex matrices. The majority of information is now transmitted around 'informal' networks rather than via formal structures. The 'command and control' system is no longer a viable way of managing a form of organisation which is coming to resemble a fluid, self organising political network. the capacity to understand this emerging form and the principles of non-linear feedback systems, to network across boundaries, to think holistically rather than hierarchically is critical to fostering change and learning in organisations.

The leader as Developer; intrinsic to the idea of empowerment and learning is the belief that individuals have the potential to learn and grow; that given some real responsibility and the permission to make a few mistakes, they will exceed their own and others' expectations. Many organisations pay lip service to this, but to put it into practice managers need to fundamentally believe it. This is a hard nettle to grasp for managers brought up on a flawed version of Darwin's theory of the survival of the fittest.

The Radical leader. Radical leadership involves questioning the fundamentals, going to the root of things and re-examining them. In much of this article I have alluded to the basic set of unconscious assumptions which form the core of an organisation's culture. It follows that a leader of change needs the courage and skill to create a climate in which these are routinely challenged. This appears obvious, but as many leaders have, in part at least, become leaders through subscribing to these assumptions, the challenge is as much to themselves as anyone else.

The 'can do' leader. This sounds rather banal, but it is worth saying. Organisations, particularly well estabilished ones, breed an innate caution into their managers, a concern to do things the right way, to protect one's back, which translates for the majority into a propensity to find all the reasons why things cannot be changed, rather than a determined exploration of how they can be. The attitude that problems <u>can</u> be resolved, which translates into a "well, we can solve that" in response to the eternal problem, is vitally liberating and empowering.

<u>Conclusion</u>

Fundamental change, or second order change, involves making changes at a deep cultural level. The culture of an organisation is underpinned by some deep, taken for granted beliefs about the nature of organisations, the nature of people, and hence the nature of management. Some of these seem generic to our socio-economic culture and some are organisation specific. These basic assumptions constitute the boundaries of the prevailing box or frame of reference, the constraints to our thinking, the limits to our ability to solve a new order of problem. Confrontation at this level usually evokes powerful feelings among those confronted, and is often perceived as a risky undertaking for those within the organisational system. My main proposition, however, has been that we cannot apply methods and techniques designed to effect improvement, to the problem of creating a fundamental shift in an organisation's culture. Ways of proactively working with this phenomenon are not really understood, despite the plethora of books and articles which would suggest the contrary. There are some pointers; I have suggested that we need to pay more attention to uncovering the present, in particular some of the assumptions and dynamics which lie embedded in current practice; we need to be more circumspect in our deployment of vision and values statements and their like. There is a lot of evidence that we try to take on too much, try to change everything in a big bang and scare everyone to death. It also seems likely that we pay too much attention to 'the top' thereby perpetuating the paradigm that we say we are trying to shift. Managers themselves need to re-think their role towards one which is more congruent with the prevailing nostrums of learning and empowerment.

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July 1994

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