Dealing with Change at Multiple Levels

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Executive Summary

Dr. W. Edwards Deming repeatedly said that in order to transform western management one must have profound knowledge, the components of which are systems thinking, understanding variation, psychology, and epistemology (theory of learning). Systems thinking helps us see an organization as a multilevel hierarchy of open systems, and which further consist of both a technical system (the operating processes) and a social system (the people). Such a view indicates that in order to change the organization, multiple interventions at multiple levels (individual, group, organization) are most likely to be necessary and/or beneficial.

Selection of an intervention and how it is carried out needs to be done considering the psychology of individuals, groups, and organizations. There is likely to be considerable variation in responses regarding acceptance of change. After all, people are normally distributed! However, since change occurs over time, specific barriers can be predicted and planned for, and the process of diffusion can be leveraged. Of course, change involves learning. If there is no learning there will be no significant change. However, learning itself can also occur at different levels, incidental and intentional. Management must ensure that the right things are being learned.

The Technologies of Change

It has become a bit monotonous to hear the proclamation "change is the only constant." At the same time it is quite true that the pace of change has increased as the number of interconnections among individuals, groups, companies, and countries has increased. It also appears that the demand for change often far outpaces our ability to effectively implement new technologies.

This is partially due to the fact that personnel involved in leading change are usually experts in the technology being implemented, but not in change management. Effective change requires the integration of three major areas of knowledge: the technology being implemented, project management, and change management (see Figure 1). The technology might be six sigma, lean production, e-commerce, ISO 9001, etc. and is part of the technical system by which the organization plans to operate in the future. Project management is the process of organizing the appropriate resources in order to achieve the desired change within given time and budget constraints.

However, these technical systems are unlikely to be effectively deployed if the dynamics of how to work with social systems are not well known and considered as part of the implementation plan. This paper will present some ways to understand social systems as it relates to change.
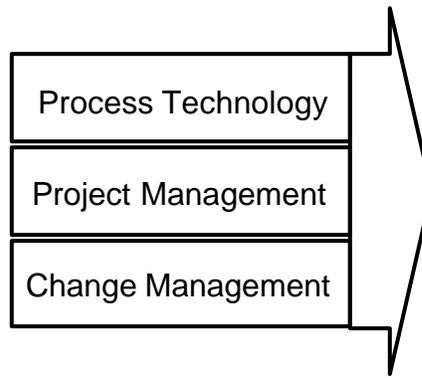
Figure 1. The Technologies of Change

A Structural View of Change Management

Managing change may actually be an oxymoron. Regardless, understanding the dynamics of individuals, groups, and organizations can certainly contribute to better planning for change. Dr. W. Edwards Deming proposed a system of profound knowledge as the foundation for transforming organizations [1]. He indicated that those who want to create change need to understand systems, variation, psychology, and learning theory.

Systems Thinking
An organization is actually a multilevel nesting of complex social systems. The organization operates within a competitive environment, and is at the same time the environment of the subsystems (e.g., departments/processes) at the next lower level of the hierarchy. These subsystems are themselves also made up of even smaller subsystems -- individuals.

Regardless of which level of the hierarchy one is looking at, the system at that level takes inputs and transforms them into outputs through the interaction of the components (subsystems) of the system. While the technical system usually involves a somewhat one way and linear relationship between these components, as a social system the relationship is often made up of multiple, mutually reinforcing or counteracting, horizontal and vertical interactions that create nonlinear and unpredictable effects.

So if one wants to change a system or subsystem, an important consideration is not only how to intervene, but where. A common mistake is to think that an intervention at one level is sufficient, or that in order to change a particular level, the intervention should also occur at that level. However, the interaction between systems, subsystems, and levels means that an intervention at another level of the system may actually be more effective. Even more importantly, to use a metaphor, if one wants to start a forest fire, starting many little fires that eventually come together may be more effective than starting just one that may burn out.

Psychology
Another common misconception is that resistance to change is pathological. That is, it is sometimes believed that people should understand that change is necessary and do whatever is needed in order to allow the organization to succeed, and if they don't behave this way there is something wrong with them. However, understanding the dynamics of individual, group, and organizational behaviors can help to clarify the absolute rational nature of resistance.

Theories of individual psychology often present individuals as dysfunctional, and define the role of the psychologist as healer. A more respectful and productive perspective was developed by Carl Rogers, who believed that in order for people to change, they needed to feel free to be themselves. They will do this only if they receive unconditional positive regard from those whose role it is to facilitate change; in addition, facilitators must be empathic and congruent. If these conditions are not met, the individual feels threatened and will behave in ways meant to protect his/her ego (self) from perceived threats from other(s).

A Tavistock view of group dynamics proposes three major group responses to change initiated by others. The group will try to destroy the leader (an egalitarian view that no one has a right to have power over others), will fight or flee, or will organize into subgroups in order to gain power. Again, these demonstrate the natural response of people for survival of self. Persons familiar with change management have often found that the best way to overcome such tendencies is to simply give the group the power to act, rather than have actions imposed by an outsider.

The field of organization development (OD) is the organizationally focused view of behavior. OD practitioners believe that in order for an organization to improve, there must first be a diagnosis to identify the problem, followed by an intervention to rectify it. However, the organization is involved in both diagnosis and intervention, rather than having an external expert specify what is wrong and what should occur. The assumption is that the organization has the knowledge required, and the role of the OD consultant is simply to facilitate the process. Again, ownership/autonomy/empowerment is a core philosophy. The most recently developed OD intervention, appreciative inquiry, even goes so far as to not focus on negatives. Instead, past positives and the underlying principles/practices/behaviors/structures that allowed them to occur are searched out, with the intent of leveraging them in the future.

Variation

Although Deming's red bead experiment was often interpreted as showing the impact of variation in technical systems, Deming also emphasized the inherent differences in the motivations of individuals. There are many theories of motivation, including those of Maslow, McClelland, McGregor, and Herzberg, indicating that each individual is more (or less) interested in achievement, affiliation, altruism, power, recognition, rewards, and survival [2]. This means that if we want someone to be excited by a change, we must find a way for it to be relevant to his/her specific needs/motivations.

A force field analysis is a good way to see the impact of psychology and variation on individuals' views of change (see Figure 2). In effect, motivations are the forces that will drive the change, while threats to one's sense of self/security are forces that cause resistance. Bringing a systems perspective into the picture would additionally emphasize that the motivations and threats exist not only at the individual level, but also for groups and the organization as a whole. Remembering that these factors will also be different from one subsystem (e.g., department) to another can help change agents to develop approaches that will address the unique interests and concerns of each group.
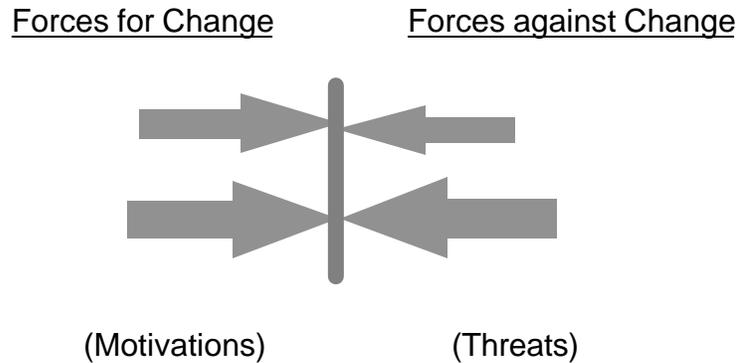
Forces for Change   Forces against Change

(Motivations)   (Threats)

Figure 2. Force Field Analysis

Learning
Since without learning there can be no significant change, consideration of differences in personal learning styles, and effective methods for delivery of specific knowledge, should be considered. While some individuals prefer to learn theory and then apply it (a deductive approach), others prefer to learn from experience (an inductive approach). Effective learning actually requires the combination of the two (see Figure 3).
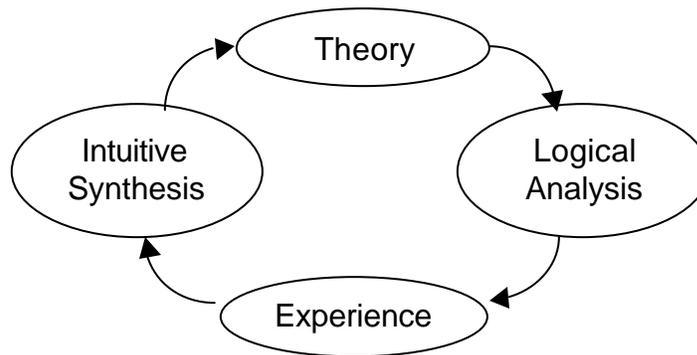

Figure 3. The Cycle of Learning

In addition, there are different levels of learning. While some incidental learning will automatically occur simply through involvement in the change process, such learning is likely to be shallow and not involve a shift in mental models, as is often necessary. Deeper learning requires separation of action from reflection, and enables individuals to see options that would not previously have been cognitively and emotionally available to them [3].

A Time-oriented View of Change

Looking at change from a time perspective can also give useful insights. A model based on Gestalt psychology that shows the stages through which change occurs is shown in Figure 4.
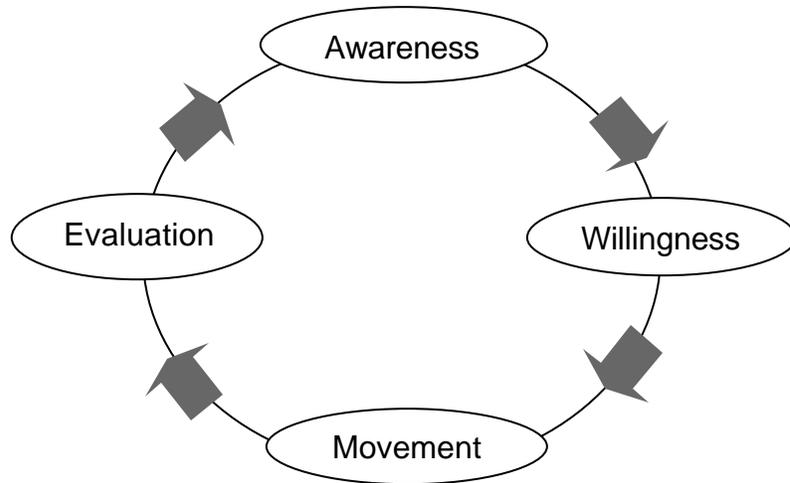

Figure 4. Gestalt Cycle of Change

It indicates that one must first be aware of the need for change. However, once that awareness exists, the individual/group/organization must then be willing to do something to satisfy the need. Once willingness exists, the entity must actually take action followed by evaluation to determine whether or not the need has been satisfied. Although many failures to change are due to a lack of awareness, individuals/groups/organizations can actually get stuck at other points in the cycle. For example, insufficient resources may mean that no real movement can take place.

Another perspective of time recognizes that change occurs at different rates for different people. For example, some will immediately recognize the advantages and adopt the new technology, while others will wait until they have seen someone they know and trust benefit from the use of the technology. This process of diffusion is often indicated by classifying members of a population according to their rate of acceptance of a new technology (see Figure 5).
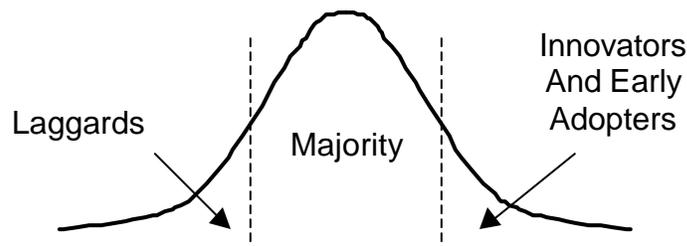

Figure 5. Rates of Adoption

Where and How to Intervene?

Understanding systems, psychology, variation, and learning theory can be useful for selecting when where and how to intervene to create planned change. Interventions can be targeted at the level of system to be changed, at subsystems below that level of system, or at the higher-level system that is the environment. Recognizing the reasons for resistance, as well as differences in motivations, can help in identifying interventions that will be more successful for each situation [4]. Leveraging the power of the interactions between components and levels of a system will facilitate the process of diffusion.

References

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Speaker Biography

Duke consults, educates and trains, writes and speaks on management technologies. He has been in private practice since 1985 working with organizations in the U.S., Canada, Caribbean, Europe, and Asia. He holds degrees in business, education, and technology, and is a graduate of the international program for the Gestalt approach to organization and system development. He is an ASQ Fellow, certified by ASQ as a quality manager, quality engineer, and quality auditor, and has been designated a certified management consultant by the Institute of Management Consultants. He is co-editor of *The Certified Quality Manager Handbook*, 2nd edition.